

Contract Part B



Department of Executive Services
Finance and Business Operations Division
Procurement and Contract Services Section
206-684-1681 TTY Relay: 711

Contract Title: **Life, AD&D And LTD Insurances Services**
06-017OB

Buyer: Ovita Bonadie, ovita.bonadie@metrokc.gov, 206 684-1055

Contract Number:	_____	Contractor:	_____
Federal Tax ID:	_____	Requesting Dept.:	_____
Amount:	_____	Fund Source:	_____
Duration:	_____	To:	_____
Work Provided:	_____		

CONTRACT

THIS CONTRACT, made this _____ Day of _____, 2007, by and between King County, Washington, (hereinafter "County") and _____ with its principle place of business at _____ (hereinafter "Contractor").

WITNESSETH:

WHEREAS, the County has caused Contract documents for:

Contract No.: _____

Contract Title: Life, AD&D And LTD Insurances Services

to be prepared for certain Work as described therein; and

WHEREAS, the Contractor has assured the County that it has the specialized expertise and experience necessary to properly Provide the goods and Services in a timely manner and that its Proposal includes all of the functions and features required for the goods and Services; and

WHEREAS, the County has accepted the Contractor's offer to provide the goods and Services in accordance with the Contract's terms, Scope of Work and Proposal documents;

WHEREAS, by executing this Contract, the Contractor represents that the waiver of the Contractor's immunity under industrial insurance, Title 51 RCW, as set forth in the Contract documents was mutually negotiated by the parties;

NOW THEREFORE, in consideration of the mutual covenants and agreements of the parties herein contained and to be performed, the Contractor hereby agrees to supply the goods and Services at the price and on the terms and conditions herein contained, and to assume and perform all of the covenants and conditions herein required of the Contractor, and the County agrees to pay the Contractor the Contract price Provided herein for the supply of the goods and Services and the performance of the covenants set forth herein.

THE FURTHER TERMS, CONDITIONS AND COVENANTS of the Contract are set forth in the following exhibit parts each of which is attached hereto and by this reference made a part hereof in the following order of precedence; **[1]** Contract Amendments; **[2]** the Contract Document which includes: Definition of Words and Terms, Standard Contractual Terms and Conditions, Specific Contractual Terms and Conditions, Insurance Requirements, Federal Transit Administration (FTA) Requirements, Scope of Work, Attachments A) Contractor Registration Form, B) Contract Price, C) Domestic Partners Benefits "Declaration" Form, D) Personnel Inventory Report, E) Affidavit and Certificate of Compliance, I) Certificate of Lobbying Activities, J) Disclosure Form to Report Lobbying and Instructions, K) Certification Regarding Debarment, Suspension and Other Responsibility Matters – Primary Covered Transactions, L) Certification Regarding Debarment, Suspension and Other Ineligibility and Voluntary Exclusion – Lower-Tier Covered Transactions, N) 504/ADA Assurance of Compliance, O) Contractor's Insurance Forms; and **[3]** RFP Addenda; **[4]** Request for Proposals; **[5]** Best and Final Offer; **[6]** the proposal.

COMPANY NAME: _____

ACCEPTED BY:

Authorized Signature

Name and Title (Print or Type)

Date Accepted:

KING COUNTY APPROVED BY:

Signature

Name and Title (Print or Type)

Date Accepted:

Approved as to form only: _____



King County

ATTACHMENT B

PRICE PROPOSAL FOR RFP NO.: 06-017OB

RFP SUBJECT: LIFE, AD&D AND LTD INSURANCES SERVICES

Prompt payment discount offered: Percentage: _____ Days: _____

Standard payment is net thirty (30) Days. Evaluation Will be at the discounted prices if the time for the discount is twenty (20) Days.

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DEFINITION OF WORDS AND TERMS

Words and terms shall be given their ordinary and usual meanings. Where used in the Contract documents, the following words and terms shall have the meanings indicated. The meanings shall be applicable to the singular, plural, masculine, feminine and neuter of the words and terms.

Acceptance or Accepted: Written documentation of the County's determination that the Contractor's Work has been completed in accordance with the Contract.

Administrative Change: Documentation provided by County to Contractor, which reflects internal King County procedures not affecting the Contract terms or Scope of Work.

Buyer: Individual designated by the County to conduct the Contract solicitation process, draft and negotiate contracts, resolve contractual issues and support the Project Manager during Contract performance.

Change Documentation: A written document agreed upon by Project Managers, which if it creates a material change to the Contract term or Scope of Work shall be executed as an Amendment.

Contract Amendment: A written change to the Contract modifying, deleting or adding to the terms or scope of work, signed by both parties, with or without notice to the sureties.

Contract or Contract Documents: The writings and drawings embodying the legally binding obligations between the County and the Contractor for completion of the Work under the Contract as set forth on Page i of this document.

Contractor: The individual, association, partnership, firm, company, corporation, or combination thereof, including joint ventures, contracting with the County for the performance of Services or Work under the Contract.

Cost Analysis: The review, evaluation and verification of cost data and the evaluation of the specific elements of costs and profit. Cost analysis is the application of judgment utilizing criteria to project from the data to the estimated costs in order to form an opinion on the degree to which proposed costs represent what the Contract should cost, assuming reasonable economy and efficiency.

Day: Calendar Day.

Person: Includes individuals, associations, firms, companies, corporations, partnerships, and joint ventures.

Price Analysis: The process of examining and evaluating a price without evaluating its separate cost elements and proposed profit.

Project Manager: The individual designated by the County to manage the project on a daily basis and who may represent the County for Contract administration. This Contract may be part of a larger County project.

Provide: Furnish without additional charge.

RCW: The Revised Code of Washington.

Scope of Work or Statement of Work (SOW): A section of the Contract consisting of written descriptions of Services to be performed, or the goods to be provided or the technical requirements to be fulfilled under this Contract contained within Scope of Work Section.

Services: The furnishing of labor, time or effort by a Contractor.

Subcontractor: The individual, association, partnership, firm, company, corporation, or joint venture entering into an agreement with the Contractor to perform any portion of the Work covered by this Contract.

Work: Everything to be provided and done for the fulfillment of the Contract and shall include all Software, Hardware and Services specified under this Contract, including Contract Changes and settlements.

SECTION 1 - STANDARD CONTRACTUAL TERMS AND CONDITIONS

1-1 Administration

This Contract is between the County and the Contractor who shall be responsible for providing the Work described herein. The County is not party to defining the division of Work between the Contractor and its Subcontractors, if any, and the Scope of Work has not been written with this intent.

The Contractor represents that it has or shall obtain all personnel, materials and equipment required to perform Work hereunder. Such personnel shall not be current or former employees of the County without the written approval of the County. Any current or former County employee who is involved, or becomes involved, in the performance of the Contract shall be disclosed; and the County shall determine whether conflicts of interest or ethical violations exist under the circumstances.

The Contractor's performance under this Contract may be monitored and reviewed by a Project Manager appointed by the County. Reports and data required to be provided by the Contractor shall be delivered to the Project Manager. Questions by the Contractor regarding interpretation of the terms, provisions and requirements of this Contract shall be addressed to the Buyer or Project Manager for response.

1-2 Contract Changes

No oral order or conduct by the County shall constitute a Contract change. Both parties shall agree to contract changes in writing.

If any Contract change causes an increase or decrease in the cost of, or the time required for performance of any part of the Work under this Contract, an equitable adjustment in the Contract price, the project schedule, or both shall be made and the Contract and all related purchase orders(s) modified and agreed to in writing by both parties. Every contract change may require a Cost/Price Analysis to determine the reasonableness of the proposed adjustments to Contract price or schedule. Contract changes do not require notice to sureties by County.

1-3 Cost or Price Analysis

The County may require Cost or Price Analysis, contract changes, terminations, and revisions to contract requirements or other circumstances as determined by the County.

1-4 Termination for Convenience/Default/Non-Appropriation

A. Termination for Convenience

The County for its convenience may terminate this Contract, in whole or in part, at any time by written notice sent certified mail, return receipt requested, to the Contractor. After receipt of a Notice of Termination ("Notice"), and except as directed by the County, the Contractor shall immediately stop Work as directed in the Notice, and comply with all other requirements in the Notice. The Contractor shall be paid its costs, including necessary and reasonable Contract closeout costs and profit on that portion of the Work satisfactorily performed up to the date of termination as specified in the notice. The Contractor shall promptly submit its request for the termination payment, together with detailed supporting documentation. If the Contractor has any property in its possession belonging to the County, the Contractor shall account for the same and dispose of it in the manner the County directs. All termination payment requests may be subject to Cost or Price Analysis to determine reasonableness and compliance with the Contract, applicable laws and regulations.

B. Termination for Default

If the Contractor does not deliver Work in accordance with the Contract, or the Contractor fails to perform in the manner called for in the Contract, or if the Contractor fails to comply with any material provisions of the Contract, the County may terminate this Contract, in whole or in part, for default as follows:

1. A Notice to Cure shall be served on the Contractor by certified mail (return receipt requested) or delivery service capable of providing a receipt. The Contractor shall have ten (10) Days to cure the default or provide the County with a detailed written plan, which indicates the time and methods needed to bring the Work into compliance and cure the default.
2. If the Contractor has not cured the default or the plan to cure the default is not acceptable to the County, the County may terminate the Contract Termination shall occur by serving a Notice of Termination by certified mail (return receipt requested) or delivery service capable of providing a receipt on the Contractor setting forth the manner in which the Contractor is in default and the effective date of termination;
3. The Contractor shall only be paid for Work delivered and Accepted, or Work performed in accordance with the manner of performance set forth in the Contract less any damages to the County caused by or arising from such default. All termination payment requests are subject to Cost or Price Analysis to verify compliance with the Contract, applicable laws and regulations.
4. The termination of this Contract shall in no way relieve the Contractor from any of its obligations under this Contract nor limit the rights and remedies of the County hereunder in any manner.

C. Termination for Non-Appropriation

If expected or actual funding is withdrawn, reduced or limited in any way prior to the termination date set forth in this Contract or in any amendment hereto, the County may, upon written notice to the Contractor, terminate this Contract in whole or in part.

In accordance with King County Code 4.04.040B.6, payment shall not exceed the appropriation for the year in which termination is effected. If the Contract is terminated for non-appropriation:

1. The County shall be liable only for payment in accordance with the terms of this Contract for Services rendered prior to the effective date of termination; and,
2. The Contractor shall be released from any obligation under this contract or a related Purchase Order to Provide further Work pursuant to the Contract as are affected by the termination.

Funding under this Contract beyond the current appropriation year is conditional upon the appropriation by the County Council of sufficient funds to support the activities described in this Contract. Should such an appropriation not be approved, the Contract shall terminate at the close of the current appropriation year. The appropriation year ends on December 31 of each year.

1-5 Force Majeure

The term "force majeure" shall include, without limitation by the following enumeration: acts of nature, acts of civil or military authorities, fire, accidents, shutdowns for purpose of emergency repairs, industrial, civil or public disturbances, causing the inability to perform the requirements of this Contract. If any party is rendered unable, wholly or in part, by a force majeure event or any other cause not within such party's control, to perform or comply with any obligation or condition of this Contract, upon giving notice and reasonably full particulars to the other party, such obligation or condition shall be suspended only for the time and to the extent commercially practicable to restore normal operations. In the event the Contractor ceases to be excused pursuant to this provision, then the County shall be entitled to exercise any remedies otherwise provided for in this Contract, including Termination for Default.

1-6 Washington State Sales Tax

The County shall make payment directly to the State for all applicable State sales taxes in case the Contractor is not registered for payment of sales taxes in the State of Washington. If the Contractor is so registered, it shall add the sales tax to each invoice and upon receipt of payment from the County, promptly remit appropriate amounts to the State of Washington.

1-7 Taxes, Licenses, and Certificate Requirements

This Contract and any of the Work Provided hereunder is contingent and expressly conditioned upon the ability of the Contractor to provide the specified goods or Services consistent with applicable federal, state or local laws and regulations. If, for any reason, the Contractor's required licenses or certificates are terminated, suspended, revoked or in any manner modified from their status at the time this Contract becomes effective, the Contractor shall notify the County immediately of such condition in writing.

The Contractor and subcontractor(s) shall maintain and be liable for all taxes (except sales/use taxes), fees, licenses permits and costs as may be required by applicable federal, state or local laws and regulations as may be required to provide the Work under this Contract.

1-8 Assignment

Neither party shall assign any interest, obligation or benefit under or in this Contract or transfer any interest in the same, whether by assignment or novation, without prior written consent of the other party. If assignment is approved, this Contract shall be binding upon and inure to the benefit of the successors of the assigning party. This provision shall not prevent Contractor from pledging any proceeds from this Contract as security to a lender so long as King County Policy Fin10-1 (AP), paragraph 6.1.3 is followed. An assignment shall be accepted by either party upon the posting of all required bonds, securities and the like by the assignee, and the written agreement by assignee to assume and be responsible for the obligations and liabilities of the Contract, known and unknown, and applicable law.

1-9 Indemnification and Hold Harmless

To the maximum extent permitted by law and except to the extent caused by the sole negligence of the County, the Contractor shall indemnify and hold harmless the County, its officers, officials, agents and employees, from and against any and all suits, claims, actions, losses, costs, penalties and damages of whatsoever kind or nature arising out of, in connection with, or incident to the goods and /or services Provided by or on behalf of the Contractor. In addition, the Contractor shall assume the defense of the County and its officers and employees in all legal or claim proceedings arising out of, in connection with, or incidental to such goods and/or Services: shall pay all defense expenses, including reasonable attorney's fees, expert fees and costs incurred by the County on account of such litigation or claims. This indemnification obligation shall include, but is not limited to, all claims against the County by an employee or former employee of the Contractor or its subcontractors, and the Contractor, by mutual negotiation, expressly waives all immunity and limitation on liability, as respects the County only, under any industrial insurance act, including Title 51 RCW, other Worker's compensation act, disability benefit act, or other employee benefit act of any jurisdiction which would otherwise be applicable in the case of such claim. In the event that the County incurs any judgment, award and/or cost including attorney's fees arising from the provisions of this subsection, or to enforce the provisions of this subsection, any such judgment, award, fees, expenses and costs shall be recoverable from the Contractor. In the event of litigation between the parties to enforce the rights under this subsection, reasonable attorney fees shall be allowed to the substantially prevailing party.

1-10 Applicable Law and Forum

Except as hereinafter specifically provided, this Contract shall be governed by and construed according to the laws of the State of Washington, including, but not limited to, the Uniform Commercial Code, Title 62A RCW. Any claim or suit concerning this Contract may only be filed in either the King County Superior Court or U.S. District for the Western District of Washington, in Seattle.

1-11 Conflicts of Interest and Non-Competitive Practices

A. Conflict of Interest

By entering into this Contract to perform Work, the Contractor represents that it has no direct or indirect pecuniary or proprietary interest, and that it shall not acquire any interest that conflicts in any manner or degree with the Work required to be performed under this Contract. The Contractor shall not employ any Person or agent having any conflict of interest. In the event that the Contractor or its agents, employees or representatives hereafter acquires such a conflict of interest, it shall immediately disclose such conflict to the County. The County shall require that the Contractor take immediate action to eliminate the conflict up to and including termination for default.

B. Contingent Fees and Gratuities

By entering into this Contract to perform Work, the Contractor represents that:

1. No Persons except as designated by Contractor shall be employed or retained to solicit or secure this Contract with an agreement or understanding that a commission, percentage, brokerage, or contingent fee would be paid; and
2. No gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any of its agents, employees or representatives, to any official, member or employee of the County or other governmental agency with a view toward securing this Contract or securing favorable treatment with respect to the awarding or amending, or the making of any determination with respect to the performance of this Contract.

1-12 Disputes, Claims and Appeals

The Contractor shall address questions or claims regarding the Contract in writing to the Buyer and Project Manager, within ten (10) Days of the date in which the Contractor knows or should know of the question or claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. No claim shall be allowed for any costs incurred more than ten (10) Days before the Contractor gives written notice, as required in this section. The Buyer and Project Manager shall ordinarily respond to the Contractor in writing with a decision, but absent such written response, the question or claim shall be deemed denied upon the tenth (10th) Day following receipt by the Buyer and Project Manager.

In the event the Contractor disagrees with the determination of the Buyer and Project Manager, the Contractor shall, within five (5) Days of the date of such determination, appeal the determination in writing to the Procurement and Contract Services Section Manager. Such written notice of appeal shall include all information necessary to substantiate the appeal. The Procurement and Contract Services Section Manager shall review the appeal and make a determination in writing, which shall be final. Appeal to the Procurement and Contract Services Section Manager shall be a condition precedent alternative dispute resolution or litigation.

Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the Contract and in accordance with the direction of the Buyer or Project Manager. Failure to comply precisely with the time deadlines under this subsection as to any claim shall operate as a waiver and release of that claim and an acknowledgment of prejudice to the County.

1-13 Mediation and Arbitration

Nothing in this subsection precludes any party from seeking relief from King County Superior Court or the U.S. District Court for the Western District of Washington, in Seattle. If a dispute arises out of or relates to this Contract, or the breach thereof, and if said dispute cannot be settled through direct discussions, the parties agree to first endeavor to settle the dispute in an amicable manner by mediation. Thereafter, any unresolved controversy or claim arising out of or relating to this Contract, or breach thereof, may be resolved by arbitration, and judgment upon the award rendered by the arbitrator may be entered in either King County Superior Court or the U.S. District Court for the Western District of Washington, in Seattle.

1-14 Retention of Records, Audit Access and Proof of Compliance with Contract

A. Retention of Records

The Contractor and its subcontractors shall maintain books, records and documents of its performance under this Contract in accordance with generally accepted accounting principles. The Contractor shall retain for six (6) years after the date of final payment under the Contract all financial information, data and records for all Work.

B. Audit Access

1. Federal, state or County auditors shall have access to Contractor's and its Subcontractors' records for the purpose of inspection, Cost or Price Analysis, audit or other reasonable purposes related to this Contract. Federal, state or County auditors shall have access to records and be able to copy such records during the Contractor's normal business hours. The Contractor shall Provide proper facilities for such access, inspection and copying.
2. Audits may be conducted during or after the Contract period for purposes of evaluating claims by or payments to the Contractor and for any other reason deemed appropriate and necessary by the County. Audits shall be conducted in accordance with generally accepted auditing principles and/or federal, state or County audit procedures, laws or regulations. The Contractor shall fully cooperate with the auditor(s).
3. If an audit is commenced more than sixty (60) Days after the date of final payment for Contract Work, the County shall give reasonable notice to the Contractor of the date on which the audit shall begin.

C. Proof of Compliance with Contract

The Contractor shall, upon request, provide the County with satisfactory documentation of the Contractor's compliance with the Contract.

In addition, the Contractor shall permit the County, and if federally funded, the FTA and the Comptroller General of the United States, or a duly authorized representative, to inspect all Work, materials, payrolls and other data and records involving the Contract.

1-15 Other Public Agency Orders

Other federal, state, county and local entities may utilize the terms and conditions established by this Contract. The County does not accept any responsibility or involvement in the purchase orders or contracts issued by other public agencies.

1-16 Recycled Products Policy

The County promotes the purchase and utilization of recycled material and products where available. Recycled material means material and byproducts, which have been recovered or diverted from solid waste disposal for the purpose of recycling. It does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process. In the event of similar pricing, availability

and other factors affecting the solicitation, preference may be given to products containing recycled material.

Ref: KCC 10.14

1-17 Conflicts of Interest - Current and Former Employees

The County seeks to eliminate and avoid actual or perceived conflicts of interest and unethical conduct by current and former County employees in transactions with the County. Consistent with this policy, no current or former County employee may contract with, influence, advocate, advise, or consult with a third party about a County transaction, or assist with the preparation of Proposals submitted to the County while employed by the County or within one (1) year after leaving the County's employment, if he/she participated in determining the Work to be done or process to be followed while a County employee.

Contractors who anticipate contracting with the County shall identify at the time of offer, such current or former County employees involved in preparation of proposals or the anticipated performance of the Work if awarded the Contract. Failure to identify former County employees involved in this transaction may result in the County's denying or terminating this Contract. In addition, after award, the Contractor is responsible for notifying the County's Project Manager of current or former County employees who may become involved in the Contract any time during the term of the Contract

Ref: KCC 3.04.015C; 3.04.035B; 3.04.035D; 3.04.035E; 3.04035H1; 3.04.035H2.

1-18 Nondiscrimination And Equal Employment Opportunity

A. Nondiscrimination in Employment and Provision of Services.

During the performance of this Contract, neither the Contractor nor any party subcontracting under the authority of this Contract shall discriminate nor tolerate harassment on the basis of race, color, sex, religion, nationality, creed, marital status, sexual orientation, age, or the presence of any sensory, mental, or physical disability in the employment or application for employment or in the administration or delivery of services or any other benefits under this Contract. King County Code Chapter 12.16 is incorporated herein by reference, and such requirements shall apply to this Contract.

B. Nondiscrimination in Subcontracting Practices.

During the solicitation, award and term of this Contract, the Contractor shall not create barriers to open and fair opportunities to participate in County contracts or to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services. In considering offers from and doing business with subcontractors and suppliers, the Contractor shall not discriminate against any person on the basis of race, color, creed, religion, sex, age, nationality, marital status, sexual orientation or the presence of any mental or physical disability in an otherwise qualified disabled person.

C. Compliance with Laws and Regulations.

The Contractor shall comply fully with all applicable federal, state, and local laws, ordinances, executive orders, and regulations that prohibit discrimination.

Unfair Employment Practices. King County Code Chapter 12.18 is incorporated by reference as if fully set forth herein and such requirements apply to this Contract.

D. Record-keeping Requirements and Site Visits.

The County may, at any time, visit the Project Site, Contractors' and subcontractors' offices to review records related to the solicitation, utilization, and payment to subcontractors and suppliers in compliance with Executive Order 11246 as amended by Executive Order 11375. This provision includes compliance with any other requirements of this Section. The Contractor shall provide all

reasonable assistance requested by King County during such visits. The Contractor shall maintain, for six (6) years after completion of all work under this Contract, the following:

1. Records, including written quotes, bids, estimates or proposals submitted to the Contractor by all businesses seeking to participate on this Contract, and any other information necessary to document the actual use of and payment to subcontractors and suppliers in this Contract.
2. The Contractor shall make the foregoing records available to King County for inspection and copying upon request. Any violation of the mandatory requirements of the provisions of this subsection shall be a material breach of contract, which may result in termination of this Contract or such other remedy as the County deems appropriate, including but not limited to damages or withholding payment.

E. Discrimination In Contracting

King County Code Chapter 12.17 is incorporated by reference as if fully set forth herein and such requirements apply to this Contract. During the performance of this Contract, neither Contractor nor any party subcontracting under the authority of this Contract shall discriminate or engage in unfair contracting practices prohibited by KCC 12.17.

1-19 Disadvantaged Business Enterprise (DBE) Participation

- A. Nondiscrimination 49 CFR part 26. The Contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. The Contractor shall carry out applicable requirements of 49 CFR, part 26 in the award and administration of United States Department of Transportation assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy, as the County deems appropriate.
- B. DBE Program. The County has determined that no DBE goal shall be established for this Contract. However, the County requires that the Contractor report any actual DBE participation on this Contract to enable the County to accurately monitor DBE program compliance.
- C. Efforts to Increase DBE Participation. Even though this Contract has no DBE goal, the County still encourages Contractors to pursue opportunities for DBE participation. To that end, Contractors are encouraged to:
 1. Advertise opportunities for subcontractors and suppliers ("subcontractors") in a manner reasonably designed to provide DBEs capable of performing the work with timely notice of such opportunities. All advertisements should include a provision encouraging participation by DBE firms and may be done through general advertisements (e.g., newspapers, journals, etc.) or by soliciting Proposals directly from DBEs.
 2. Utilize the services of available minority community organizations, minority consultant groups, local minority assistance offices and organizations that provide assistance in the recruitment and placement of DBEs and other small businesses.
 3. Establish delivery schedules, where requirements of the contract allow and encourage participation by DBEs and other small businesses.
 4. Achieve DBE attainment through joint ventures.
- D. DBE Listing. A current list of DBE firms accepted as certified by the Washington State Office of Minority and Women's Business Enterprises (OMWBE) is available from that office at (360) 753-9693. For purposes of this Contract, a DBE firm shall be certified by OMWBE as of the date and time of bid submittal.
- E. Procedure Applicable when DBEs Are Utilized. Concurrent with the use of any DBE subcontractor or supplier the Contractor shall provide notice of such use in writing to the King County Business Development and Contract Compliance Section (BDCC). Upon receipt of said notice, BDCC shall

provide the Contractor with the applicable procedures for counting DBE participation. Assistance with this Section is available from BDCC at (206) 205-0700. Notice referenced herein should be delivered to the following address:

King County
Office of Business Relations and Economic Development
M.S. KCC-EX-0402
516 3rd Avenue, Room 550
Seattle, WA 98104-3271
Phone: 206-205-0700
Fax: 206-296-0194

1-20 Severability

Whenever possible, each provision of this Contract shall be interpreted to be effective and valid under applicable law. If any provision is found to be invalid, illegal or unenforceable, then such provision or portion thereof shall be modified to the extent necessary to render it legal, valid and enforceable and have the intent and economic effect as close as possible to the invalid, illegal and unenforceable provision.

1-21 Nonwaiver of Breach

No action or failure to act by the County shall constitute a waiver of any right or duty afforded to the County under the Contract; nor shall any such action or failure to act by the County constitute an approval of, or acquiescence in, any breach hereunder, except as may be specifically stated by the County in writing.

1-22 Non-Discrimination in Benefits to employees with Domestic Partners

King County's Equal Benefits (EB) Ordinance 14823 states that to be eligible for award of contracts at a cost of \$25,000.00 or more, firms must not discriminate in the provisions of employee benefits between employees with spouses, and employees with domestic partners. The successful Contractor, bidder or proposer shall be required to complete a Worksheet and Declaration form. Compliance with Ordinance 14823 is a mandatory condition for execution of a contract. The EB Compliance forms, and Ordinance 14823 are available online at: www.metrokc.gov/procurement/forms.aspx

SECTION 2 - SPECIFIC CONTRACTUAL TERMS AND CONDITIONS

2-1 Execution of the Contract

The documents constituting the Contract between the County and the Contractor are intended to be complementary so that what is required by any one of them shall be as binding as if called for by all of them. In the event of any conflicting provisions or requirements within the several parts of the Contract documents, they shall take precedence as listed on the Contract, page 1. The date the Contract is countersigned by the County is the Contract effective date. No other act of the County shall constitute Contract award. After Contract award, the County shall issue Purchase Orders detailing the Work to be performed.

The Contract may be executed in two counterparts, each of which shall be deemed an original and which shall together constitute one Contract.

2-2 Contract Term

The initial term of this Contract shall be three (3) years, commencing on the effective date of the Contract and subject to the termination provisions at subsection 1-4, Termination for Convenience/Default/Non-Appropriation. King County may extend this Contract for six (6) one year increments. During extension periods, all terms and conditions of this Contract shall remain in effect except those amended for the

extension period. The maximum term for this Contract, consisting of the base period plus extensions, is nine (9) years.

2-3 **Notices**

All notices or Documentation required or Provided pursuant to this Contract shall be in writing and shall be deemed duly given when delivered to the addresses first set forth below.

For Project Management related notices or Documentation

King County	Contractor
Project Manager – Kerry Schaefer	
Yesler Building, 400 Yesler Way	
Seattle, WA 98104-2683	
206-263-5051	
kerry.schaefer@metrokc.gov	

For Contract related notices or Documentation contact:

King County Procurement and Contract Services Section	
M.S. EXC-ES-0871	
Exchange Building, 8 th Fl. 821 2 ND Ave.	
Seattle, WA. 98104-1598	
Buyer – Ovita Bonadie	
(206) 684-1055	
ovita.bonadie@metrokc.gov	

2-4 **Payment Procedures**

A. Invoices

The Contractor for Work Accepted by the County shall furnish invoices to:

King County Accounts Payable
M/S EXC-ES-0875
Exchange Building, 8th floor
821 Second Avenue
Seattle, WA 98104-1598

Important – When a purchase order is issued against this Contract that has the potential for multiple or partial deliveries, a separate invoice shall be generated for each completed delivery Accepted by the County. All invoices shall include the following information: purchase order number, requester's name and phone number, date of invoice, invoice number and invoice total. For each item in the Contract provide the: item number, quantity, description, contract price and when applicable provide the manufacture, list price and discounts. For Services identify from the bid, either milestone Acceptance or hourly rates, hours worked, total hours or related fees.

Failure To Comply With These Requirements Or To Provide An Invoice In Conformance With The Contract May Delay Payment.

B. Payments

Within thirty (30) Days after receipt of an invoice, the County shall pay the Contractor for accepted Work, upon acceptance of payment Contractor waives any claims for the Work covered by the Invoice.

If the Contractor is registered with the State of Washington it shall add all applicable State Sales use taxes to each invoice and upon receipt of the payment promptly remit appropriate amounts to Washington, or the County will make payment directly to the State.

C. **Subcontractor Prompt Payment**

The Contractor agrees to pay each Subcontractor under this Contract for satisfactory performance of its subcontract no later than ten (10) Days from the receipt of each payment the Contractor receives from the County.

2-5 Advance Payment Prohibited

No advance payment shall be made for the Work furnished by Contractor pursuant to this Contract.

2-6 Purchase Orders

Purchase orders shall be issued referencing this Contract number. Purchase order(s) shall define and authorize the Work by the Contractor based on the prices contained in Attachment B. The purchase orders issued by the County may reflect agreed to modification of Contract terms, funding or other matters subject to subsection 1-2, Contract changes.

2-7 Pricing

Prices shall remain firm for the duration of the initial Contract period. Reasonable price changes based on market conditions and price/cost analysis may be made after the initial Contract period. The Contractor shall supply documentation satisfactory to King County such as documented changes to the Producers Price Index (PPI), the Consumer Price Index (CPI) or a manufacturer's published notification of price change(s). King County will evaluate this information to determine if revising the pricing is considered fair and reasonable to the satisfaction of King County. Requests for any such change are to be made in writing to the Buyer in the Procurement Services Division office. Any agreed-to change shall take effect at the time of the Contract extension and shall remain in effect throughout the extension period. The parties hereto recognize that such changes could be increases or decreases in the prices; both parties are entitled to benefit from such price changes.

2-8 Shipping Charges

All prices shall include freight FOB to the designated delivery point. The County shall reject requests for additional compensation for freight charges.

2-9 Cost Mark-Up

Contractors shall not mark up Subcontractor costs and other direct costs. The cost for Subcontractor management shall be segregated into a single cost item and included as a separate task in Attachment B.

2-10 Direct Costs Related to Additional Work

Direct costs for additional Work shall be billed at cost without markup.

Reimbursement of Contractor travel, lodging and meal expenses are limited to the eligible costs based on the rates and criteria established in King County Code, chapter 3.24.

- A. The mileage rate allowed by King County shall not exceed the current Internal Revenue Services (IRS) rates per mile as allowed for business related travel. The IRS mileage rate shall be paid for

the operation, maintenance and depreciation of individually owned vehicles for that time which the vehicle is used during Work hours. Parking shall be the actual cost. When rental vehicles are authorized, government rates shall be requested. If a Person does not request government rates, he/she maybe Personally responsible for the difference. Please reference the IRS web site for current rates. <http://www.irs.gov/>.

- B. Reimbursement for meals shall be limited to the per diem rates established by Federal travel requisitions for the host city in the code of Federal Regulations, 41 CFR § 301,App.A.
- C. Accommodation rates shall not exceed the Federal Lodging limit plus host city taxes. The Contractor shall always request government rates.
- D. The direct costs contained in A, B and C above shall only be authorized by the County Project Manager for Contractor staff living beyond commuting distance, normally considered to be for the travel beyond 100 miles of 821 Second Avenue, Seattle, WA.
- E. Air travel shall be by coach class at the lowest price available at the time the County Project Manager requests a particular trip. In general, a trip is associated with a particular Work activity of limited duration and only one round-trip ticket, per Person, shall be billed per trip.
- F. Cost for equipment, materials and supplies, such as approved equipment rental; telephone, telegraph and cable expenses; reproduction costs including blueprinting, photographing, telecopying, mimeographing, photocopying and printing; express charges; commercial printing, binding, art Work and models; and, computer programming and data entry costs shall be billed without markup.
- G. Authorized subcontract Services; Provided that the limitations set forth in the above paragraphs shall be applicable to such subcontract Services.
- H. Other direct costs, not listed above, may be billed if the County has given prior approval.
- I. Receipts required for purchases \$10 and over, not including meals.

2-11 Public Disclosure Requests

Contracts shall be considered public documents and, with exceptions provided under public disclosure laws, shall be available for inspection and copying by the public.

If a Contractor considers any portion of the Work, including Software, data and related materials, delivered to the County to be protected under the law, the Contractor shall clearly identify each such item with words such as "**Confidential**," "**Proprietary**" or "**Business Secret**." If a request is made for disclosure of such item, the County shall determine whether the material should be made available under the law. If the material or parts thereof are determined by the County to be exempt from public disclosure, the County shall not release the exempted documents. If the material is not exempt from public disclosure law, the County shall notify the Contractor of the request and allow the Contractor ten (10) Days to take whatever action it deems necessary to protect its interests. If the Contractor fails or neglects to take such action within said period, the County shall release the item deemed subject to disclosure. By signing this Contract, the Contractor assents to the procedure outlined in this subsection and shall have no claim against the County on account of actions taken under such procedure.

2-12 Board of Ethics Disclosure Requirement

Pursuant to King County code 3.04.120, the Consultant shall file a Contractor Disclosure Form with the Board of Ethics and the King County Executive, attached hereto as Attachment M.

2-13 Changed Requirements

New Federal, State and County laws, regulations, ordinances, policies and administrative practices may be established after the date this Contract is established and may apply to this Contract. To achieve compliance with changing requirements, the Contractor agrees to accept all changed requirements that apply to this Contract and require Subcontractors to comply with revised requirements as well. Changed requirements shall be implemented through subsection 1-2 Contract changes.

2-14 Counterparts

This Contract may be signed in two counterparts, each of which shall be deemed an original and which shall together constitute one Contract.

2-15 HIPAA – Protecting Patient Privacy

The work under this Contract will require compliance with “The Health Insurance Portability and Accountability Act of 1996” (HIPAA). Information on this Act can be found at the Office of Civil Rights website: <http://www.hhs.gov/ocr/hipaa/>.

SECTION 3 - INSURANCE REQUIREMENTS

3-1 Insurance Requirements

- A. The Contractor shall obtain and maintain the minimum insurance set forth below. The Contractor shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage.
 - 1. The Contractor shall maintain the appropriate **professional liability**, affording limits of liability of \$1,000,000 each claim and \$5,000,000 aggregate for damages sustained by reason of or in the course of operations under the contract, whether occurring by reason of acts, errors or omissions of the Contractor.
 - 2. The Contractor Shall maintain limits no less than, for:
 - General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, Personal injury and property damage, and for those policies with aggregate limits, a \$2,000,000 aggregate limit.
 - Workers' Compensation: Statutory requirements of the state of residency.
 - Employers Liability Stop Gap: \$1,000,000.
- B. Such insurance shall be maintained through the term of this contract and, if coverage is on a "claims made" basis, coverage shall be further extended to cover claims made during one (1) additional year beyond said period.
- C. The Contractor's insurance shall be primary to and not contributing with any insurance or self-insurance which may be carried by King County, but only as respects the negligent ascts of the Contractor.
- D. Such insurance shall be provided by insurance companies with an A.M. Best's rating of A- or better.
- E. No provision in this section shall be construed to limit the liability of the Contractor for work not done in accordance with the contract, or express or implied warranties. The Contractor's liability for the work shall extend as far as the appropriate periods of limitation provided by law.

SECTION 4 - FEDERAL TRANSIT ADMINISTRATION (FTA) REQUIREMENTS

This Contract shall be funded approximately three percent by the Federal Transit Administration (FTA). Neither the FTA nor the Federal Government shall be a party to any subagreement nor to any solicitations or request for Proposals. This Contract shall be subject to regulations contained in 49 Code of Federal Regulations (CFR) Part 18 and the applicable grant agreement between the County and the FTA. The following provisions include, in part, certain standard terms and conditions required by the U.S. Department of Transportation, whether expressly set forth in the following Contract provisions. All Contractual provisions required by the U.S. Department of Transportation, as set forth in FTA Circular 4220.1E, dated June 19, 2003, are hereby incorporated by reference as are the requirements of the Master Agreement between King County and the U.S. Department of Transportation, including all "flow down" provisions to third party contractors, sub-contractors and or suppliers. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. The Contractor agrees not to perform any act, fail to perform any act, or refuse to comply with any County requests that would cause the County to be in violation of the FTA terms and conditions.

4-1 Changes in Federal laws, Regulations, Policies and Administrative Practices

New federal laws, regulations, policies and administrative practices may be established after the date this Contract is established and may apply to this Contract. To achieve compliance with changing federal requirements, the Contractor agrees to accept all changed requirements that apply to this Contract and require Subcontractors comply with revised requirements as well.

4-2 Federal Changes

The Contractor agrees to comply with all applicable FTA regulations, policies, procedures and directives, including without limitation, those listed directly or by reference in the Master Agreement between the County and FTA, as they may be amended or promulgated from time to time during the term of this Contract. Contractor's failure to comply shall constitute a material breach of this Contract. 49 CFR Part 18.

4-3 No Federal Government Obligations to Third Parties

The Contractor agrees that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of this Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Contractor or any other party (whether or not a party to this Contract) pertaining to any matter resulting from this Contract.

The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance Provided by FTA. It is further agreed that the clause shall not be modified, except to identify the Subcontractor who shall be subject to its provisions.

4-4 Equal Employment Opportunity

In connection with the execution of this Contract, the Contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, sex, disability, age, or national origin. The Contractor shall take affirmative action to ensure that the hiring of applicants and treatment of employees during employment is conducted without regard to their race, color, creed, sex, disability, age, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be Provided by the contracting officer setting forth the provisions of this non-discrimination clause.

Authorities: Executive Order 11246, as amended by Executive Order 11375; Title VII of the Civil Rights Act, as amended, 42 USC § 2000e; Federal transit laws at 49 USC § 5332; section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 USC § 623; section 102 of the Americans with Disabilities Act, as amended, 42 USC §§ 12101 et seq.; 29 CFR Part 1630; 41 CFR § 60-1.4.

4-5 Compliance With Section 504 Of The Rehabilitation Act

Of 1973, As Amended And The American With Disabilities Act Of 1990

The Contractor shall ensure that no qualified individual with a disability shall, solely by reason of his or her disability, be excluded from the participation in, be denied the benefit of, or be subjected to discrimination in connection with this Contract. 42 USC § 12112; 29 CFR Part 1630.

The Contractor shall complete a Disability Self-Evaluation Questionnaire for all programs and services offered by the Contractor (including any services not subject to this Contract) and shall evaluate its services, programs and employment practices for compliance with Section 504 of the Rehabilitation Act of 1973, as amended ("504"), and the Americans with Disabilities Act of 1990 ("ADA"). The Contractor shall complete a 504/ADA Disability Assurance of Compliance and within ten days after the bidder receives written notice of selection, submit it to the County the final two pages of 504/ADA (where signatures are required). Such Assurance of Compliance will be incorporated herein by reference.

4-6 Title VI Compliance

The Contractor shall comply with and shall ensure the compliance by all Subcontractors under this Contract with all the requirements imposed by Title VI of the Civil Rights Act of 1964 (42 USC 2000d) and the regulations of the federal Department of Transportation, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation -- Effectuation of Title VI of the Civil Rights Act," 49 CFR Part 21, (hereinafter "Regulations") as they may be amended from time to time. The Federal Government and or the County has a right to seek judicial enforcement with regard to any matter arising under Title IV of the Civil Rights Act and implementing regulations. 49 CFR Part 21.19.

During the performance of this Contract, the Contractor, for itself, its assignees and successors-in-interest agrees as follows:

A. Nondiscrimination

The Contractor, with regard to the Work performed by it during the Contract, shall not discriminate on the grounds of race, color, creed, sex, disability, age or national origin in the selection and retention of Subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the Contract covers a program set forth in Appendix B of the Regulations.

B. Solicitations for Subcontracts, Including Procurements of Materials and Equipment

In all solicitations either by competitive Proposal or negotiation made by the Contractor for Work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential Subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this Contract and the regulations relative to nondiscrimination on the grounds of race, color, creed, sex, disability, age or national origin.

C. Information and Reports

The Contractor shall Provide all information and reports required by the regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the County or the Federal Transit Administration (FTA) to be pertinent to ascertain compliance with such regulations, orders and instructions. The Contractor shall maintain all required records for a least three (3) years after the County makes final payment and all other pending matters are closed. Where any information is required and it is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the County or the Federal Transit Administration, as appropriate, and shall set forth efforts made to obtain the information.

D. Sanctions for Noncompliance

In the event of the Contractor's noncompliance with the nondiscrimination provisions of this Contract, the County shall impose such Contract sanctions as it or the FTA may determine to be appropriate, including, but not limited to:

1. Withholding of payments to the Contractor under the Contract until the Contractor complies, and/or,
2. Cancellation, termination or suspension of the Contract, in whole or in part.

E. Incorporation of Provisions

The Contractor shall include the provisions of paragraphs A through E of this section in every subcontract, including procurements of materials and leases of equipment, unless exempt by the regulations or directives issued pursuant thereto. The Contractor shall take such action with respect to any subcontract or procurement as the County or the FTA may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that, in the event the Contractor becomes involved in or is threatened with litigation with a Subcontractor or supplier as a result of such direction, the Contractor may request the County to enter into such litigation to protect the interests of the County, and in addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor shall comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor shall comply with any implementing requirements FTA may issue.

4-7 Labor Provisions - Non-Construction Contracts

A. Overtime Requirements

No Contractor or Subcontractor contracting for any part of the Contract Work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any Work week in which he or she is employed on such Work to Work in excess of forty (40) hours in such Work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half (1.5) times the basic rate of pay for all hours worked in excess of forty (40) hours in such Work week. (29 CFR § 5.5(b)(1)).

B. Violation: Liability for Unpaid Wages: Liquidated Damages

In the event of any violation of the clause set forth in paragraph A of this section, the Contractor and any Subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such

Contractor and Subcontractor shall be liable to the United States (in the case of Work done under Contract for the District of Columbia or a territory, to such district or to such territory) for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of paragraph A of this section in the sum of ten (\$10) dollars for each calendar Day on which such individual was required or permitted to Work in excess of the standard Work week of forty (40) hours without payment of the overtime wages required by paragraph A of this section. (29 CFR § 5.5(b)(2)).

C. Withholding for Unpaid Wages and Liquidated Damages

The Department of Transportation or the County shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of Work performed by the Contractor or Subcontractor under any such Contract or any other federal Contract with the same prime Contractor, or any other federally-assisted Contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or Subcontractor for unpaid wages and liquidated damages as Provided in paragraph B of this section. (29 CFR § 5.5(b)(3)).

D. Payrolls and Basic Records

The Contractor or Subcontractor shall maintain payrolls and basic payroll records during the course of the Work and shall preserve them for a period of three (3) years from the completion of the Contract for all laborers and mechanics, including guards and watchmen, working on the Contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made and actual wages paid. Further, the records to be maintained under this paragraph shall be made available by the Contractor or Subcontractor for inspection, copying or transcription by authorized representatives of the Department of Transportation and the Department of Labor, and the Contractor or Subcontractor shall permit such representatives to interview employees during working hours on the job. (29 CFR § 5.5(c)).

E. Subcontracts

The Contractor or Subcontractor shall insert in any subcontracts the clauses set forth in paragraphs A through E of this section and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime Contractor shall be responsible for compliance by any Subcontractor or lower tier Subcontractor with the clauses set forth in paragraphs A through E of this section. (29 CFR § 5.5(b)(4)).

4-8 Cargo Preference - Use of U.S. Flag Vessels

In the event that ocean shipment or international air transportation is required for any equipment, material or commodities pursuant to this Contract, the Contractor shall:

- A. Utilize privately owned United States flag commercial vessels to ship at least fifty (50%) percent of the gross tonnage involved, computed separately for dry bulk carriers, dry cargo liners and tankers, whenever shipping any equipment, materials or commodities pursuant to this Contract, to the extent such vessels are available at fair and reasonable rates for United States flag commercial vessels.
- B. Furnish within twenty (20) working Days following the date of loading for shipments originating within the United States, or within thirty (30) working Days following the date of loading for shipment originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph A of this section, to the County, through the prime Contractor in the case of Subcontractor bills-of-lading, and to the Division of

National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590, marked with appropriate identification of the project.

- C. Insert the substance of the provisions of this section in all subcontracts issued pursuant to this Contract when the subcontract may involve the transport of equipment, material, or commodities by ocean vessel.

46 USC § 1241; 46 CFR Part 381.

4-9 Fly America

The Contractor agrees to utilize United States flag air carriers to the extent such carriers Provide the air transportation needed, or accomplish the Contractor's mission. The Contractor agrees to utilize United States flag air carriers even though comparable or a different kind of service can be Provided at less cost by a foreign air carrier, a foreign air carrier can be paid for in excess foreign currency, unless United States flag air carriers decline to accept excess or near excess foreign currencies for transportation payable only out of those monies. The Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service with a U.S. flag air carrier was not available or why it was necessary to use a foreign carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. The Contractor agrees to include the requirements of this section in all subcontracts that may involve international air transportation. 49 USC § 40118; 41 CFR Part 301-310.

4-10 Audit and Inspection of Records

In the case of all negotiated contracts and contracts for construction, reconstruction or improvement of facilities and equipment, which were entered into under other than competitive Proposal procedures, Contractor agrees that the County, the Comptroller General of the United States or any of their duly authorized representatives, shall, for the purpose of audit and examination be permitted to inspect all Work, materials, payrolls, and other data and records with regard to the project, and to audit the books, records and accounts with regard to the project. Further, Contractor agrees to maintain all required records for at least three (3) years after the County makes final payment and all other pending matters are closed.

4-11 FTA Protest Procedures

Contractors are hereby notified that if this Contract is funded in whole or in part by the Federal Department of Transportation, the Federal Transit Administration (FTA) may entertain a protest that alleges that the County failed to have or follow written protest procedures. Proposers shall file a protest with the FTA not later than 5 working Days after the County renders a final decision or 5 working Days after the Contractor knows or has reason to know that the County has failed to render a final decision. The protesting party shall notify the County if it has filed a protest with the FTA. After 5 Days, the County shall confirm with FTA that FTA has not received a protest. Protests to the FTA shall be filed in accordance with FTA Circular 4220.1E (as periodically Updated).

The County shall not award a Contract for 5 working Days following its decision on a Proposal protest or while a protest to the FTA is pending unless the County determines that: (1) the items to be procured are urgently required; (2) delivery of performance shall be unduly delayed by failure to make the award promptly; or (3) failure to make prompt award shall otherwise cause undue harm to the County or the Federal Government.

4-12 Privacy

Should the Contractor, or any of its Subcontractors, or their employees administer any system of records on behalf of the Federal Government, the Privacy Act of 1974, 5 USC § 552a, imposes information restrictions on the party administering the system of records.

For purposes of the Privacy Act, when the Agreement involves the operation of a system of records on individuals to accomplish a government function, the recipient and any contractors, third party contractors, Subcontractors and their employees involved therein are considered to be government employees with respect to the government function. The requirements of the Act, including the civil and criminal penalties for violations of the Act, apply to those individuals involved. Failure to comply with the terms of the Act or this provision of this Contract shall make this Contract subject to termination.

The Contractor agrees to include this clause in all subcontracts awarded under this Contract that involve the design, development, operation, or maintenance of any system of records on individuals subject to the Act.

4-13 Access Requirements for Individuals with Disabilities

The County and contractors are required to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), 42 USC §§ 12101, *et seq.*; Section 504 of the Rehabilitation Act of 1973, as amended, 29 USC § 794; and 49 USC § 5301(d), and the following regulations and any amendments thereto:

- A. U.S. Department of Transportation regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 CFR Part 37;
- B. U.S. Department of Transportation regulations, "Nondiscrimination on the Basis of Disability in Programs and Activities receiving from Federal Financial Assistance," 49 CFR Part 27;
- C. U.S. Department of Transportation regulations, "Americans With Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 49 CFR Part 38;
- D. U.S. Department of Justice (DOJ) regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 CFR Part 35;
- E. U.S. Department of Justice regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 CFR Part 36;
- F. U.S. General Services Administration regulations, "Construction and Alteration of Public Buildings," 41 CFR Subpart 101-19;
- G. U.S. Equal Employment Opportunity Commission (EEOC) "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR Part 1630;
- H. U.S. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for the Hearing and Speech Disabled," 47 CFR Part 64, Subpart F; and
- I. FTA regulations, "Transportation for Elderly and Handicapped Persons," 49 CFR Part 609.

4-14 Interest of Members of or Delegates of Congress

Pursuant to 41 USC § 22, no member of or delegate to the Congress of the United States shall be admitted to any share or part of this Contract or to any benefit arising therefrom.

4-15 Certification Regarding Debarment, Suspension and Other Responsibility Matters

By signing and submitting this Contract, the Contractor, is providing the signed certification set out below.

The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the Contractor knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government and County, may pursue available remedies, including suspension and/or debarment.

The Contractor shall provide immediate written notice to County if at any time the Contractor learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "persons," "lower tier covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549 [49 CFR Part 29]. You may contact County for assistance in obtaining a copy of those regulations.

The Contractor agrees by signing this Contract, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized in writing by the County.

The Contractor further agrees by signing this Contract that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction", without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List issued by U.S. General Service Administration.

Nothing contained in the foregoing shall be construed to require establishment of system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to all remedies available to the Federal Government, County may pursue available remedies including suspension and/or debarment. 49 CFR Part 29.

4-16 Subcontractors' Certification Regarding Debarment, Suspension or Ineligibility

By submitting a Proposal for this Contract, the Contractor agrees that it shall not knowingly enter into any subcontract exceeding \$100,000 with an entity or Person who is debarred, suspended, or who has been declared ineligible from obtaining federal assistance funds; and shall require each Subcontractor to complete the certification Provided in Attachment L.

Each subcontract, regardless of tier, shall contain a provision that the Subcontractor shall not knowingly enter into any lower tier subcontract with a Person or entity who is debarred, suspended or declared ineligible from obtaining federal assistance funds, and a provision requiring each lower-tiered Subcontractor to Provide the certification set forth in Attachment L.

The Contractor shall require each Subcontractor, regardless of tier, to immediately Provide written notice to the Contractor if at any time the Subcontractor learns that its, or a lower-tier certification was erroneous when submitted or has become erroneous by reason of changed circumstances. The Contractor may rely upon the certifications of the Subcontractors unless it knows that a certification is erroneous. The

Contractor's knowledge and information regarding any Subcontractor is not required to exceed that which is normally possessed by a prudent Person in the ordinary course of business.

4-17 Disclosure of Lobbying Activities

Proposals in excess of \$100,000 require Attachment I, "Certification Regarding Lobbying," and Attachment J, "Disclosure of Lobbying Activities" (if appropriate), be completed and submitted to the County with the Proposal, as required by 49 CFR Part 20, "New Restrictions on Lobbying."

The Contractor certifies that it shall not and has not used Federal appropriated funds to pay any Person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal Contract, grant or any other award covered by the Byrd Anti-Lobbying Amendment, 31 USC § 1352. The Contractor shall disclose the name of any registrant under the Lobbying Disclosure Act of 1995, codified at 2 USC § 1601 *et seq.*, who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal Contract, grant or award covered by 31 USC § 1352. Such disclosures are to be forwarded to the County.

The Contractor shall include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

4-18 Anti-Kickback

The County and contractors are required to comply with the Anti-Kickback Act of 1986, 41 USC §§ 51 *et seq.* Under state and federal law, it is a violation for County employees, Proposers, contractors or Subcontractors to accept or offer any money or benefit as a reward for favorable treatment in connection with the award of a Contract or the purchase of goods or Services.

"Kickback" as defined by Federal Acquisition Regulation (FAR) 52.203-7, and 41 USC § 52(2), means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind that is Provided directly or indirectly to any prime Contractor, prime Contractor employee, Subcontractor or Subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime Contract or in connection with a subcontract relating to a prime Contract.

4-19 False or Fraudulent Statements or Claims

The Contractor acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the County in connection with this project, the County reserves the right to pursue the procedures and impose on the recipient the penalties of 18 USC § 1001, 31 USC §§ 3729 and 3801 *et seq.*, and/or 49 USC § 5307(n)(1), as may be appropriate. The terms of Department of Transportation regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, are applicable to this project.

The Contractor agrees to include this clause in all subcontracts awarded under this Contract.

4-20 Conservation

The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency that are contained in the State Energy Conservation plan issued in compliance with the Energy Policy and Conservation Act, 42 USC §§ 6321 *et seq.*, and 49 CFR Part 18.

The Contractor agrees to include this clause in all subcontracts awarded under this Contract.

4-21 Air Pollution

The Contractor and suppliers may be required to submit evidence to the Project Manager that the governing air pollution criteria shall be met. This evidence and related documents shall be retained by the manager for on-site examination by FTA.

4-22 Environmental Requirements

The Contractor agrees to comply with all applicable standards, orders or requirements as follows:

A. Environmental Protection

The Contractor agrees to comply with the applicable requirements of the National Environmental Policy Act of 1969, as amended, 42 USC §§ 4321, *et seq.*, consistent with Executive Order No. 11514, as amended, "Protection and Enhancement of Environmental Quality," 42 USC § 4321 note. FTA statutory requirements on environmental matters at 49 USC § 5324(b); Council on Environmental Quality regulations on compliance with the National Environmental Policy Act of 1969, as amended, 42 USC § 4321 *et seq.* and 40 CFR Part 1500, *et seq.*; and joint FHWA/FTA regulations, "Environmental Impact and Related Procedures," 23 CFR Part 771 and 49 CFR Part 622.

B. Air Quality

The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to section 306 of the Clean Air Act, as amended, 42 USC §§ 7401, 7414, *et seq.* The Contractor agrees to report each violation to the County and understands and agrees that the County shall, in turn, report each violation as required to assure notification to FTA and the appropriate Environmental Protection Agency (EPA) Regional Office.

The Contractor agrees to include this clause in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance Provided by FTA.

C. Clean Water

The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC §§ 1251, 1368, *et seq.* The Contractor agrees to report each violation to the County and understands and agrees that the County shall, in turn, report each violation as required to assure notification to FTA and the appropriate Environmental Protection Agency (EPA) Regional Office.

The Contractor agrees to protect underground sources of drinking water consistent with the provisions of the Safe Drinking Water Act of 1974, as amended, 42 USC §§ 300h *et seq.*

The Contractor agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance Provided by FTA.

D. Use of Public Lands

The Contractor agrees that no publicly owned land from a park, recreation area, or wildlife or waterfowl refuge of national, state, or local significance as determined by the federal, state or local officials having jurisdiction thereof, or any land from a historic site of national, state, or local significance may be used for the Project unless the FTA makes the specific findings required by 49 USC § 303.

E. Historic Preservation

The Contractor agrees to assist the Federal Government in complying with section 106 of the National Historic Preservation Act, as amended, 16 USC § 470f, Executive Order No. 11593, "Protection and Enhancement of the Cultural Environment," 16 USC § 470 note, and the Archaeological and Historic Preservation Act of 1974, as amended, 16 USC §§ 469a-1 *et seq.* involving historic and archaeological preservation as follows:

1. The Contractor agrees to consult with the State Historic Preservation Officer about investigations to identify properties and resources listed in or eligible for inclusion in the National Register of Historic Places that may be affected by the Project, in accordance with Advisory Council on

Historic Preservation regulations, "Protection of Historic and Cultural Properties," 36 CFR Part 800, and notifying FTA of those properties so affected.

2. The Contractor agrees to comply with all federal requirements to avoid or mitigate adverse effects on those historic properties.

F. Mitigation of Adverse Environmental Effects

The Contractor agrees that if the Project should cause adverse environmental effects, the Contractor shall take all reasonable steps to minimize those effects in accordance with 49 USC § 5324(b), and all other applicable federal laws and regulations, specifically, the procedures of 23 CFR Part 771 and 49 CFR Part 622.

G. Energy Conservation

The Contractor agrees to comply with the mandatory energy efficiency standards and policies within the applicable state energy conservation plans issued in compliance with the Energy Policy and Conservation Act, 42 USC §§ 6321, *et seq.*

4-23 Preference for Recycled Products

To the extent practicable and economically feasible, the Contractor agrees to Provide a competitive preference for products and Services that conserve natural resources and protect the environment and are energy efficient. Examples of such products may include, but are not limited to, products described in the United States EPA Guidelines at 40 CFR Part 247, implementing section 6002 of the Resource Conservation and Recovery Act, as amended, 42 USC § 6962, and Executive Order 12873.

4-24 Termination Provisions Required

All contracts and subcontracts in excess of \$10,000 shall contain contractual provisions or conditions that allow for termination for cause and convenience by the County including the manner by which it shall be effected and the basis for settlement.

(Required by FTA Circular 4220.1E § 15.b.).

4-25 Breach Provisions Required

All contracts in excess of \$100,000 shall contain contractual provisions or conditions that shall allow for administrative, contractual, or legal remedies in instances where the Contractor violates or breaches the terms of this Contract, including sanctions and penalties as may be appropriate. The Contractor agrees to include this provisional requirement in all subcontracts in excess of \$100,000 awarded under this Contract.

(Required by FTA Circular 4220.1E, § 15.a.).

SECTION 5 - TECHNICAL SPECIFICATIONS

5-1 RFP Purpose

The purpose of this RFP is to select an insurance vendor(s) who will provide competitive basic and enhanced life, basic and enhanced accidental death and dismemberment (AD&D), and basic and enhanced long term disability (LTD) insurance. The effective date for these programs will be January 1, 2007.

5-2 Background and Introduction

King County is a public entity encompassing Seattle, Bellevue, and a number of smaller suburban cities. The County provides regional services including courts and related legal services, public health services, the County jail, records and elections, property tax appraisals, regional parks and facilities including King County International Airport (Boeing Field), public transit and sewage disposal. In unincorporated communities, King County also provides police protection, animal control, land-use regulation, roads and local parks.

The County has 13,000 benefits-eligible employees, with an additional 25,000 covered family members. Average employee age is a little over 48. The County is highly unionized (87 percent) and has 97 separate bargaining units. Benefits are bargained in coalition in three-year cycles through the Joint Labor Management Insurance Committee.

5-3 Proposal Objectives and Specifications

A. Objectives

The County understands the critical role of, and relationship with, its vendor partners in the successful pursuit of its goals. To that end the County is seeking competitive bids from vendors who shall:

1. Reduce King County administrative work and responsibilities;
2. Provide competitive costs and benefit provisions; and
3. Demonstrate its willingness and capabilities to provide and embrace innovative processes and solutions.

B. Proposal Specifications

King County is requiring vendors commit to the proposal specifications outlined in the questionnaire in order to have a proposal evaluated.

5-4 Plan Design Summaries

Basic and enhanced life insurance is currently provided by Aetna Life Insurance Company. Basic and enhanced AD&D and LTD is currently provided by CIGNA.

Please see the Appendix for detailed plan descriptions.

SECTION 6 - PROPOSAL QUESTIONS

6.1 General

This section contains the Proposal questions to be addressed by Proposers. Proposals shall address the questions in the order presented, identifying the proposal questions by including the number and corresponding question with your answer. Proposals need to be specific, detailed and straightforward using clear, concise, easily understood language.

Proposers answering the proposal questions shall examine the entire Request for Proposal document including the instructions, terms and conditions, specifications and applicable standards and regulations. Failure to do so shall be at the Proposers' risk. Section 8 and the associated files are available as Word documents or Excel spreadsheets as appropriate via email from Ovita Bonadie (ovita.bonadie@metrokc.gov) at King County Purchasing.

Proposers should answer questions relating to the type of service(s) they are proposing to provide, as follows:

- Questions #1 through 33 for all coverages
- Questions #34 through 74 for Life only
- Question #75 through 96 for AD&D only
- Questions #97 through 175 for LTD only

Tabs within each 3-ring binder must match headings in this proposal per Section 1.17. Documents included on the CD need to be in Microsoft Word or Excel format, with the following names:

- a. Executive Summary.doc
- b. Questionnaire.doc

You will be instructed to provide sample communication materials in the questionnaire. They should be provided in clear plastic sleeves in each 3-ring binder under Tab 5.

To assist you in your proposal, the following information is provided as appendices.

Appendix	Description
A	Life Insurance Plan Design Summary – A brief summary of the current 1/1/06 plan design is included in the RFP and the current benefit booklets and the summary of material modifications are included as separate files (Appendix A1– Regular Employees Life Benefit Booklet.pdf; Appendix A2 – Summary of Material Modifications.pdf and Appendix A3 - Deputy Sheriffs Life Benefit Booklet.pdf)
B	AD&D Insurance Plan Design Summary – A brief summary of the current 1/1/06 plan design is included in the RFP and the current carrier's contract is included as separate file (Appendix B1 – ADD Contract.pdf)
C	LTD Insurance Plan Design Summary – a brief summary of the current 1/1/06 plan design is included in the RFP and the current carrier's contract, the current benefit booklet and the summary of material modification are included as separate files. (Appendix C1 – LTD Contract.pdf; Appendix C2 – LTD Benefit Booklet.pdf and Appendix C3 – LTD Summary of Material Modifications.pdf)
D	Census Data – Included as a separate file (Appendix D – Census.xls)

Appendix	Description
E	Life Insurance Information – A summary of enrollment, volume, rate and premium history for 2002 through 2005. Rates and volumes for January 2006 are also included. A separate file includes claim history for the 2002 through 2005 plan years. (Appendix E1 – Life Information.xls and Appendix E2 – Life Claims.xls)
F	AD&D Insurance Information – A summary of enrollment, volume, rate and premium history for 2002 through 2005. Rates and volumes for 2006 are also included. (Appendix F1-ADD Information.xls)
G	LTD Insurance Information – A summary of enrollment, volume, rate and premium history for 2002 through 2005. Rates and volumes for 2006 are also included. A separate file indicates claim history for the 2002 through 2005 plan years (Appendix G1 – LTD Information.xls and Appendix G2 – LTD Claims.xls)

The following section applies to life, AD&D and LTD Insurance. If you are responding to one, two or all three insurance coverages and your response varies, please differentiate any differences in your response. Provide multiple responses for the question indicating which coverage the response is applicable to.

6.2 General Questionnaire

Proposal Specifications

- Please confirm your compliance with each of the Proposal Specifications listed below by placing a yes or no in the column.

Proposal Specification	Yes/No
General	
a. Comply with all applicable local, state, and federal laws and the regulations there under.	
b. Be properly licensed, certified, or credentialed to operate in the state of Washington.	
c. Notify the King County Contract Manager within 30 days of purchase, acquisition, and any other change in its ownership or partners or control affecting 10 percent or greater interest, any acquisition by it of 10 percent or greater interest in any subsidiary, and any new agreement with, by, or between any affiliates that is relevant to the contract.	
d. Agree that all financial payments due to King County (e.g., missed Performance Guarantees) must be reconciled and paid via check directly to King County.	
e. Reimburse King County for costs associated with producing their custom summary plan descriptions (SPDs) and Summary of Material Modifications (SMMs).	
f. Agree that the response to this RFP and any subsequent documentation (best and final offer, finalist presentation, or memo) shall be considered part of the final agreement and contract.	
g. Agree to King County's boiler plate contract language. If your response is no, please note only major deviations.	
Account Management	

Proposal Specification	Yes/No
h. Provide a designated and responsive account management team. The assigned account management team must have accountability and authority to respond and resolve inquiries, requests, and issues raised by King County to assure compliance and overall service quality.	
i. The assigned account management team must be based in the Pacific Standard Time (PST) or Mountain Standard Time (MST) zone. At a minimum, the day-to-day contact must be based in either the PST or MST zone and must be required to uphold a mutually established minimum response time to inquiries.	
j. Assigned account management team must agree to review and approve King County's SPD and SMMs for accuracy as part of the basic costs.	
Member Services	
k. When applicable, provide customized member communications, approved by King County.	
l. Ensure that people with limited English proficiency and those with disabilities have access to communication services that enable members to utilize the phone lines and can receive assistance completing required eligibility forms.	
Implementation	
m. Assign a designated team that will manage a smooth transition process from the current vendor.	
n. Produce an Administrative Manual for the program that provides information necessary for the King County benefits team to operate the plan. This guide shall be in a mutually agreed upon format and shall be provided at no additional charge to King County.	
o. Offer a separate, one-time, Implementation Performance Guarantee that incorporates a minimum of four mutually accepted key milestones that ensure an accurate and timely implementation.	
Disaster Recovery	
p. Have a backup system capable of supporting disaster recovery efforts, and a plan that is written and has been tested.	

Company Information

2. Provide the complete name, address and federal tax identification number of the organization with whom the proposed contract would be written. Indicate how many years the organization has been providing the proposed services.
3. Please provide the name of the primary contact for your organization that will be readily available to answer questions on the Proposal, as well as their title, address, email address, phone number and fax.
4. Please indicate which services your organization is proposing to provide:
 - Basic and Enhanced Life ____

- Basic and Enhanced AD&D ____
 - Basic and Enhanced LTD ____
 - If you are quoting on multiple coverages, your quotes must not be contingent on each other, please confirm your quotes are effective as stand alone quotes. Yes ____ No ____
Note that you may provide a discount for multiple coverage and this may be noted in your financial proposal.
5. Explain the organization's ownership structure, listing all separate legal entities and their relationship within the structure. Describe all major shareholders/owners (10% or greater ownership), and list their percentage of total ownership.
 6. Please identify if you outsource work to foreign countries. If yes, where? What type of data is sent? Note: If this changes in the future, King County must be notified and have the option of 1) assessing where the data will be kept and the type of privacy security maintained, and how they know it is maintained. 2) Terminating the contract if it is determined that our members privacy would be at risk.
 7. Describe recent (within last 24 months) or planned changes in your organization such as mergers, stock issues, acquisitions, spin-offs, etc.
 8. Are your employees bonded? Yes ____ No ____
 9. Has anyone in your organization been banned from acting as a plan fiduciary? Yes ____ No ____ If yes, please explain.
 10. Using the table below, provide at least three references of current accounts with over 10,000 employees that are similar to King County in industry and demographics. These references should have more than one year of experience with the proposed account management team, if possible. Separate references should be provided for each coverage or combined if applicable.

	Life	AD&D	LTD
Client name			
Service provided by your company for this client			
Length of relationship			
Contact name			
Phone number and email address			
Enrollment number			
Number of subscribers			
% of total members			

11. Provide a list of 2 recently terminated clients (terminated for reason and within the last three years) that we may contact for a reference. For each reference, please include:

	Life	AD&D	LTD
Client name			
Service provided by your company for this client			
Length of relationship			

Contact name			
Phone number and email address			
Enrollment number			
Number of subscribers			
% of total members.			

12. Please disclose any potential conflicts of interest in managing the King County benefits.
13. The County produces its summary plan descriptions (SPDs) and summary of material modifications (SMMs). There are separate SPDs for the regular employees and Deputy Sheriffs. Please confirm that you will reimburse King County for the costs associated with producing their SPDs and SMMs. Those costs include developmental (i.e., County staff time to develop), printing and shipping costs. Please provide a communication budget that the County can use for their SPDs and SMMs over the course of a three-year contract. Based on historical costs, the total SPD and SMM costs range from \$45,000 to \$60,000 over the three-year period.
14. It is anticipated that the selected providers will be required to participate in a number of benefit fairs. Indicate your willingness to support this and any upper limit on the number of benefit fairs you will attend.
15. Please describe your organization's disaster recovery plan.
16. Please list three key points that differentiate your organization from your competitors and make your firm uniquely suited to fulfilling King County's needs. Please provide specific examples in your description.

Financial Information

17. Please provide a copy of your most recent financial report for the past 3 years (2002-2004).
18. Are there any restrictions or pending reviews by state or federal authorities for non-compliance with state or federal regulations? Yes_____ No_____ If yes, please provide details for the past 3 years including outcome.
19. Has any party brought legal action against your organization during the past three years? If yes, what was the outcome/status? Describe your organization's and the employer's position in the suit.
20. Please provide your most current carrier ratings:

	Rating	Date Received
Life		
A. M. Best's		
Standard & Poor's		
Moody's		
Fitch		
Other, please specify		
AD&D		
A. M. Best's		
Standard & Poor's		
Moody's		
Fitch		
Other, please specify		

LTD		
A. M. Best's		
Standard & Poor's		
Moody's		
Fitch		
Other, please specify		

21. Are any of the benefits included in this proposal reinsured with another insurance company? If yes, please provide the name of the reinsurer, a description of the reinsurance arrangement, the next renewal date for the arrangement and the current rating for the reinsurer from the agencies identified in the table below:

	Rating	Date Received
Life		
A. M. Best's		
Standard & Poor's		
Moody's		
Fitch		
Other, please specify		
AD&D		
A. M. Best's		
Standard & Poor's		
Moody's		
Fitch		
Other, please specify		
LTD		
A. M. Best's		
Standard & Poor's		
Moody's		
Fitch		
Other, please specify		

22. What is your web-site address?
23. Describe participant communication capabilities and provide samples of the following:
- Specific materials to ensure a successful implementation
 - Standard enrollment kit (including mail order materials)
 - Additional communications materials available at no charge

Account Service

24. Provide an organizational chart for the account service team proposed for King County with name, title/responsibility, office location, education, experience, years with company, years in current position, and number of current clients of each account service team member. At a minimum, the proposed account team should consist of the following personnel:
- Account Director (responsible for relationship with King County)
 - Account Manager (responsible for daily account issues)
 - Implementation Manager (if applicable)

25. Identify which team member would be responsible for day-to-day account issues and communication with King County staff. Please confirm that this person will respond to all account inquiries from King County staff within one business day. If this individual is unavailable to respond, please describe the process for escalating or delegating this responsibility to another account team member as well as the process by which King County staff will be notified of the covering team member.
26. If awarded a contract with King County, indicate your willingness to offer a key personnel clause, which would require a minimum of 60 days advance notice of any changes to the proposed account management team (when possible), and a clause that would allow King County the right to refuse any proposed account management team changes. Note: Reasonable exceptions would apply in situations beyond the vendor's control (i.e., resignation/termination with less than 60 day notice). Yes____ No____
27. Confirm your willingness to meet with King County staff quarterly to review plan performance and utilization trends and that these reviews will be conducted on-site in King County offices at no additional cost. Yes____ No____
28. Confirm your willingness to coordinate LTD case staffings with King County's internal Vocational Rehabilitation Counselors. Yes____ No____
29. King County wants to ensure that your organization has a process in place to manage program changes and updates that occur after the effective date. Briefly describe how the account team approaches change requests, ensures accurate implementation, and completes post-implementation follow-up.

Implementation

30. For the County's program that will be effective on January 1, 2007, please provide a detailed implementation plan regarding critical tasks, timeframes and resources based on the proposed King County programs beginning with the contract being awarded on June 1, 2006 and an effective date of January 1, 2007. Please include:
 - a. A Gantt chart or similar tool to indicate the number of person-hours allocated to each task and the estimated resources
 - b. The role King County will play during implementation
 - c. The roles and responsibilities of your implementation team including the number of implementations the main project manager has managed and the size of each account
 - d. Contacts assigned to each step of the implementation process
 - e. Production and distribution of enrollment materials
 - f. Please incorporate the dates and activities listed below as required milestones

June 12, 2006	Establish implementation teams and schedule
June 12 – Dec 2006	Implementation meetings with King County and vendor staff
December 5, 2006	King County will mail employees/dependents a confirmation letter regarding their new benefit elections
January 1, 2007	King County benefit goes live

31. Confirm your willingness to conduct weekly updates during the implementation process and to accept King County modifications to the implementation plan. Yes____ No____
32. Please detail any concerns you have with the implementation schedule. Provide information on your proposed plan to manage the process, including quality assurance reviews and provision of eligibility discrepancy or error reports.

33. Confirm you will provide an administrative guide outlining all processes and requirements for interface with the County and other vendors after implementation is complete. The administrative file should include the information necessary for King County benefits team to operate the plan and shall be in a mutually agreed upon format and provided at no additional cost to King County. The manual should include, but not be limited to, the following information: account management structure and contact information, process for handling questions and escalation process, file exchanges, eligibility processes and timeframes, listing of plan exclusions, benefit limits, appeals process, forms description or definition of forms and on-line location, etc. Yes____ No____
Please note that during finalist meetings, you may be asked to provide samples of administrative manuals you have prepared for other clients.

6.3 Basic and Enhanced Life

The current Basic Life contract includes a premium waiver provision for those employees under age 60 and a death benefit only for those employees age 60 and over. The County continues coverage for disabled employees by continuing to pay premiums for up to 12 months or until age 65, whichever occurs first. Employees on an approved leave are able to continue coverage by paying the premium for up to 12 months.

The current Enhanced Life contract includes a premium waiver provision for those employees under age 60 and a death benefit only for those age 60 and over. Disabled employees may continue coverage by paying premiums for up to 12 months or until age 65, whichever occurs first. Employees on an approved leave are able to continue coverage by paying the premium for up to 12 months.

The general section is to be completed for the Basic and Enhanced coverages on a combined basis. Please be sure to identify differences.

Proposal Specifications

34. Please confirm your compliance with each of the Proposal Specifications listed below by placing a yes or no in each column.

	Yes/No	
	Basic Life	Enhanced Life
Transition		
a. No employee or dependent will suffer a loss or reduction of coverage, or have coverage postponed as a result of a change to your organization.		
b. All in-force coverage will be guarantee issue on the effective date of the contract without regard to actively at work provisions.		
c. All Basic Life amounts are guarantee issue for current and future employees.		NA
d. All coverage amounts for current and new entrants and spouse/domestic partners into the Enhanced Life program will be guarantee issued. If not, clearly indicate the guarantee issue maximum.	NA	
e. All employees determined by the County to be eligible are to be insured by your organization.		
f. Your bid includes coverage for all disabled County employees approved for death benefit only continuation, grandfathered disabled employees, employees on leave, and spouses/domestic partners. If yes, explain all financial details.		

	Yes/No	
	Basic Life	Enhanced Life
g. Your proposal assumes a full open enrollment where employees may elect new levels of coverage without evidence of insurability? Specify your guarantee issue limits.	NA	
Administration		
h. Increases in employee and spouse/domestic partner coverages will be automatic at time of salary increase.		
i. Current County enrollment form/beneficiary designation form will be accepted by your organization in the event of a claim.		
j. Confirm you are able to create a web application form that resembles the County's enrollment form.		
k. Beneficiary designation forms with an e-signature will be completed on-line.		
l. Suicide exclusion is not included.		
m. Domestic partners are eligible for enhanced life coverage.	NA	
n. Spouse/domestic partner enhanced premiums are to be determined based on the employee's age.	NA	
Claim Administration		
o. Accelerated death benefit provision is included in your premium rates.		
Plan Provisions		
p. Match King County's current plan designs and eligibility.		
Premium Rating and Funding Arrangement		
q. Annual accounting will be provided by June 15 of each year.		
r. Experience of the Enhanced coverage will be included in your annual accounting.		
Financial Proposal		
s. Your financial proposal is not contingent on being awarded the other coverages you are bidding on.		
t. Premium rates do not include commissions.		
u. Premium rates are guaranteed from 1/1/07 to 12/31/09.		
v. Retention is guaranteed.		
w. The County requires to be notified by July 15 of each year of all rate changes.		

Administration

35. Describe the County's administrative procedures.
36. Specify any requirements you have for premium remittance.
37. What are your premium payment grace period and interest charges (if any) on late premium payments?
38. For employees on leave can premium payments be made directly to your company? If yes, explain the process

39. How is the premium waiver provision handled in the event of termination of the policy? How will you handle an individual out on disability if the current carrier does not consider them to be totally disabled? A copy of your premium waiver provision, including the definition of permanent and total disability, must be included. Will you be responsible for the liability for all disabilities incurred prior to termination? Yes____ No____
40. Do you require a separate enrollment form or can it be combined with the County's enrollment form? (Please check one)
Basic: Separate ____ Combined with County ____
Enhanced: Separate ____ Combined with County ____
41. Explain your conversion procedures. Can all aspects be handled by your organization? Yes____ No____
42. Explain your portability provision and all County administrative requirements and procedures. Can all aspects be handled by your organization? Yes____ No____
43. Describe any other administrative services your organization can perform which will reduce the County's administrative work. Be sure to identify if there are any additional fees.

Claim Administration

44. Describe your accelerated death benefit provision in detail.
45. Describe your life claim operation and procedures including the location assigned to the County.
46. Describe the claim submission process in terms of required documentation, turnaround time, etc.
47. Explain your administrative procedures for premium waiver.
48. Explain your administrative procedures for death benefit only for those employees over age 60 and grandfathered employees.
49. Describe and provide examples of your life claim experience reports. Can your company provide electronic claim experience reports? Yes____ No____
50. Can claim proceeds be placed in a personal interest bearing account, with a checkbook for the beneficiary's use? Yes____ No____ Provide details.
51. Describe your procedures for handling:
 - a. Preference beneficiary claims
 - b. Claims requiring probate
 - c. Disputed beneficiary claims.
52. Explain under what circumstances interest will be paid in addition to the claim face amount.

Plan Provisions

53. Included in the Appendices is a summary of the basic and enhanced life insurance benefits. The summary includes a column titled deviations. Identify and list in this column each provision of your proposal that differs from the provisions described in the summaries. Give full details of the differences. If you fail to disclose the differences, you will be required to deliver the provisions specified in the summaries.

Note: You may be requested at later point in the proposal process to review the entire booklet and/or contract to identify any deviations from the current.

54. In addition to providing benefits for life, please summarize the additional, no cost services associated with your product.

55. Advise if your organization will remove any current exclusions with no financial impact.

Premium Rating and Funding Arrangement

56. It is expected that all life coverages will be on a flex funded (minimum premium) or fully insured with experience dividend accounting basis. Explain in detail the financial arrangements including conditions for return of surplus, premium stabilization reserves, etc. The final accounting must be delivered within 120 days after the end of the plan year. Please note that we are also requesting your proposal for a fully pooled arrangement.
57. Relative to the Basic Life plan, what are your manual and experience rates for this case?
58. What level of credibility has been assigned to the manual and experience rates for the Basic Life plan? Please detail your calculation of the proposed Basic Life rate.
59. With respect to Basic Life, how many life years (and over what experience period) are required for full credibility?
60. Explain in detail your split-funding program in terms of banking arrangements, calculation of monthly payments, pooling provisions and terminal liability features.
61. Under the split funding arrangement, what percentage of premium is retention-related? ____%. Is this guaranteed? Yes ____ No ____
62. What are your life insurance conversion charges?
63. Describe your dividend accounting formula for both the flex funded and traditional funding basis.
64. Describe any other financial alternatives you wish to propose.
65. If the current County program has deposits in a Premium Stabilization Reserve with the current carrier, can these amounts be transferred to your company and placed in a similar reserve? Please explain in detail.
66. Can your organization place the Premium Stabilization Reserve in an Escrow Account? Yes ____ No ____ If so, what is the charge for this?

Financial Proposal

67. Indicate your premium rates for the proposed plans:

Basic Life	Fully-Insured/ Experience Rated	Split Funded		Fully- Insured/ Pooled
		Minimum	Maximum	
Volume	\$720,906,000	\$720,906,000	\$720,906,000	\$720,906,00
Rate per \$1,000 ¹				
Estimated monthly premium				
Estimated annual premium				

¹ Composite rate for regular full-time, part-time Local 587 employees, and Deputy Sheriffs

Basic Life Retention Exhibit Experience Rated Basic Life Insurance Only	1st Year	2nd Year	3rd Year
Annual Estimated Premium (based on cost summary)*			
Claims Paid	Assume equal to 50% of premium		

Incurred But Not Reported Reserve			
Retention <ul style="list-style-type: none"> Taxes Administration Charges Claims Expenses Interest Credits Risk Charge Conversion Charges Other 			
Surplus/Deficit			

**For illustration purposes, show only Basic Life premium. Actual annual accounting will include basic and enhanced coverages*

Enhanced Life -		
Regular Full-time and part-time local 587 employees		
Coverage Tier	Volume	Rate per \$1,000 (spouse/domestic partner rate based on employee's age)
▪ Under 25	\$ 2,419,500	\$
▪ 25-29	\$24,787,000	\$
▪ 30-34	\$90,776,000	\$
▪ 35-39	\$171,565,000	\$
▪ 40-44	\$238,761,500	\$
▪ 45-49	\$303,667,000	\$
▪ 50-54	\$311,611,000	\$
▪ 55-59	\$213,384,000	\$
▪ 60-64	\$80,596,500	\$
▪ 65-69	\$11,162,500	\$
▪ 70+	\$1,890,500	\$
▪ Children	\$2,545	\$_____ Rate per unit (regardless of number)
Deputy Sheriffs		
Employee	\$17,848,000	\$_____/ \$1,000
Dependents	670	\$_____ (rate per unit)

68. Describe the rate impact of any other plan provisions you propose. Please specify any differences in basic and enhanced plan provisions.
69. Clearly identify any fees for administrative services not included in above premium rates.
70. Explain how you determine your IBNR.
71. What is your charge for certifying disability claims under a DBO provision?
72. Are there any associated contingencies with the above premium rates? Yes_____ No_____ If yes, please specify.

73. Are you agreeable to include performance guarantees? Yes____ No____ If yes, describe the nature of your agreements. Please include performance guarantee measurements and fees at risk. Please include implementation performance guarantees.
74. Describe any minimum participation requirements for the Enhanced Life plan.

6.4 Basic and Enhanced AD&D Insurance Questionnaire

This section is to be completed for the Basic and Enhanced coverages on a combined basis. Please be sure to identify differences.

Proposal Specifications

75. Please confirm your compliance with each of the Proposal Specifications listed below by placing a yes or no in each column.

	Yes/No	
	Basic AD&D	Enhanced AD&D
Transition		
a. No employee or dependent will suffer a loss or reduction of coverage, or have coverage postponed as a result of a change to your organization.		
b. All employees determined by the County to be eligible are to be insured by your organization.		
c. Your bid includes coverage for all County currently disabled employees and employees on leave. If yes, explain any financial details.		
Administration		
d. Increases in employee and spouse/domestic partner coverages will be automatic at time of salary increase.		
e. Current County enrollment form/beneficiary designation form will be accepted by your organization in the event of a claim.		
f. Confirm you are able to create a web application form that resembles the County's enrollment form.		
g. Beneficiary designation forms with an e-signature will be completed on-line.		
h. Domestic partners are eligible for enhanced coverage.	NA	
Plan Provisions		
i. Match King County's current plan designs and eligibility.		
Premium Rating and Funding Arrangement		
j. AD&D (both Basic and Enhanced) coverage will be on a fully pooled basis		
Financial Proposal		
k. Your financial proposal is not contingent on being awarded the other coverages you are bidding on.		
l. Premium rates do not include commissions.		
m. Premium rates are guaranteed from 1/1/07 to 12/31/09.		
n. The County requires to be notified by July 15 of each year of all rate changes.		

Administration

76. Describe the County's administrative procedures.

77. Do you require a separate enrollment form or can it be combined with the County's enrollment form? (Please check one)

Basic: Separate ____ Combined with County ____

Enhanced: Separate ____ Combined with County ____

78. Specify any requirements you have for premium remittance.

79. What are your premium payment grace period and interest charges (if any) on late premium payments?

80. Describe any other administrative services your organization can perform which will reduce the County's administrative work. Be sure to identify if there are any additional fees.

Claim Administration

81. Describe your AD&D claim operation and procedures including the location assigned to the County.

82. Describe the claim submission process in terms of required documentation, turnaround time, etc.

83. Provide examples of your claim experience reports. Can your company provide electronic claim experience reports? Yes____ No____

84. Can claim proceeds be placed in a personal interest bearing account, with a checkbook for the beneficiary's use? Yes____ No____ Provide details.

85. Describe your procedures for handling:

a. Preference beneficiary claim

b. Claims requiring probate

c. Disputed beneficiary claims.

86. Do you pay interest from date of death or injury until benefit payment date? Yes____ No____ If yes, at what rate?

Plan Provisions

87. Included in the Appendices is a summary of the basic and enhanced AD&D insurance benefits. The summary includes a column titled deviations. Identify and list in this column each provision of your proposal that differs from the provisions described in the summaries. Give full details of the differences. If you fail to disclose the differences, you will be required to deliver the provisions specified in the summaries.

Note: You may be requested at later point in the proposal process to review the entire booklet and/or contract to identify any deviations from the current.

88. In addition to providing benefits for AD&D, please summarize the additional, no cost services associated with your product.

89. Advise if your organization will remove any current exclusions with no financial impact.

90. Describe your dismemberment benefits.

91. Describe the following plan provisions:

a. Education benefit

b. Paralysis benefit

c. Dependent care

d. Escalator clause

e. Seat belt and air bag benefit.

Financial Proposal

Please use the following statistics in your financial bid.

Enrollment data is as of February 2006 –

Basic AD&D

Coverage	No. of EEs	Covered Volume (in \$1000s)
\$6,000 Flat (Deputy Sheriffs)	670	\$4,020
\$25,000 Flat	701	17,525
1 x Annual Salary	11,651	698,624
\$25,000 Flat – Self Pay	2	50
1 x Annual Salary – Self Pay	4	217
Total	13,028	\$720,436

Enhanced Employee AD&D

Coverage	No. of EEs	Covered Volume (in \$1000s)
\$50,000	585	\$29,250
\$100,000	1,138	113,800
\$150,000	438	65,700
\$200,000	677	135,400
\$250,000	882	220,500
\$300,000	601	180,300
\$350,000	259	90,650
\$400,000	297	118,800
\$450,000	97	43,650
\$500,000	2,078	1,039,000
Total	7,052	\$2,037,050

Enhanced Spouse AD&D

Coverage	No. of EEs	Covered Volume (in \$1000s)
\$25,000	78	\$1,950
\$50,000	247	12,350
\$75,000	78	5,850
\$100,000	416	41,600
\$125,000	135	16,875
\$150,000	206	30,900
\$175,000	41	7,175
\$200,000	263	52,600
\$225,000	9	2,025
\$250,000	467	116,750
\$300,000	223	66,900
\$350,000	110	38,500
\$400,000	110	44,000
\$450,000	46	20,700
\$500,000	1,009	504,500
Total	3,438	\$962,675

Enhanced Child AD&D

Coverage	No. of EEs	Covered Volume (in \$1000s)
\$5,000	136	680

Coverage	No. of EEs	Covered Volume (in \$1000s)
\$10,000	326	3,260
\$15,000	154	2,310
\$20,000	238	4,760
\$25,000	300	7,500
\$30,000	241	7,230
\$35,000	121	4,235
\$40,000	123	4,920
\$45,000	44	1,980
\$50,000	872	43,600
Total	2,555	\$80,475

92. Indicate your premium rates for the proposed plans:

Basic AD&D	Fully Insured Pool
Volume	\$720,436,000
Rate per \$1,000 ¹	
Estimated monthly premium	
Estimated annual premium	

¹Composite rate for regular full-time, part-time Local 587 employees, and Deputy Sheriffs.

Enhanced AD&D – Class	Rate per \$1,000 ¹
Employee	
Spouse/domestic partner	
Child(ren) (regardless of number)	

¹Composite rate for full-time and part-time Local 587 employees (no Deputy Sheriffs).

93. Clearly identify any fees for administrative services not included in above premium rates.

94. Describe the rate impact of any other plan provisions you propose. Please specify any differences in basic and enhanced plan provisions.

95. Are there any associated contingencies with the above premium rates? Yes____ No____ If yes, please specify.

96. Are you agreeable to include performance guarantees? Yes____ No____ If yes, describe the nature of your agreements. Please include performance guarantee measurements and fees at risk. Please include implementation performance guarantees.

6.5 LTD Insurance Questionnaire

This section is to be completed for the Basic and Enhanced coverages on a combined basis. Please be sure to identify differences.

Proposal Specifications

97. Please confirm your compliance with each of the Proposal Specifications listed below by placing a yes or no in each column.

Proposal Specifications	Yes/No	
	Basic LTD	Enhanced LTD
Transition		
a. No employee will suffer a loss of coverage or reduction of coverage or have coverage postponed as a result of a change to your organization. The active at work requirement will be completely waived.		
b. Confirm all amounts of coverage are guarantee issue for current and future employees.		
c. All employees determined by the County to be eligible are to be insured by your organization.		
d. All employees on Family Medical and Disability Leave (including King County Family Medical Leave) at time of transition will continue to be covered for LTD insurance.		
Administration		
e. Confirm you are able to create a web application form that resembles the County's enrollment form.		
Premium Rating and Funding Arrangement		
f. AD&D (both Basic and Enhanced) coverage will be on a fully pooled basis		
Financial Proposal		
g. Your financial proposal is not contingent on being awarded the other coverages you are bidding on.		
h. Premium rates do not include commissions.		
i. Premium rates are guaranteed from 1/1/07 to 12/31/09.		
j. The County requires to be notified by July 15 of each year of all rate changes.		
Claim Administration and Customer Service		
k. The County will be advised of all proposed procedural changes 120 days in advance.		
l. Cooperate with other vendors in cases where claims may be filed related to the same event (e.g., Workers' Compensation).		
m. Assume fiduciary responsibility for all LTD claims.		
n. Maintain documentation to support payments, denials, Social Security filings, and vocational assistance.		
o. Identify ADA "reasonable accommodations" claims.		
p. Provide IME scheduling and reporting.		
q. Provide access to Social Security advocates and legal networks for representation.		

Proposal Specifications	Yes/No	
	Basic LTD	Enhanced LTD
r. Produce W-2 for all claimants.		
s. Pay employer FICA taxes.		
t. Be financially responsible for overpayments that result from claim payment errors made by your claim approvers?		
Plan Provisions		
u. Match King County's current plan designs and eligibility.		
Premium Rating and Funding Arrangement		
v. Provide annual pro forma experience accountings within 120 days following the end of the policy year.		
Financial Proposal		
w. Your financial proposal is not contingent on being awarded the other coverages you are bidding on.		
x. Premium rates do not include commissions.		
y. Premium rates are guaranteed from 1/1/07 to 12/31/09.		
z. The County requires to be notified by July 15 of each year of all rate changes. Notice will include a complete description of the rating method and assumptions, experience used and detail on all expense factors.		
aa. Quoted rates must be unconditionally firm as of the January 1, 2007 effective date, regardless of experience or enrollment on January 1, 2007.		

Transition

98. Explain how claims for employees with partial disabilities on January 1, 2007 will be handled.

Administration

99. Explain the County's administrative procedures.

100. Specify any requirements for premium remittance.

101. What are your premium payment grace period and interest charges (if any) on late premium payments?

Claim Administration and Customer Service

102. Indicate the location and hours of operation of the claims and customer service office that will be used.

103. What is the ratio of members to customer service representatives for the location and team you are proposing? Members____ Representatives ____

104. Briefly describe the current staffing and work load for the specific claim office team that would serve the County, including the following information:

- a. Projected annual claim volume
- b. Number of employers served
- c. Average size of employer groups served
- d. Current staffing (claim analysts, claim managers and nurses).

105. Provide a matrix of claim response and handling objectives.
106. What claim payment system is used (i.e., proprietary system or one you purchased or leased)?
Proprietary____ Purchased/Leased____
107. How often are benefit payments released to participants?
108. Please describe the member appeal process.
109. Would the County be involved in the member appeal process? Yes ____ No ____
110. Briefly describe your claim processing procedures (differentiate LTD and enhanced LTD as appropriate). Include:
- a. Claim intake
 - b. Validating claims
 - c. Obtaining pre-disability earnings information (address non-standard work schedules)
 - d. Identifying other income sources
 - e. Handling claims pending due to missing/incomplete information
 - f. Confirming continued disability
 - g. Obtaining an independent medical examination
 - h. Identifying routine returns to work and stopping benefit payments
 - i. Recovering overpayments.
111. Describe the role of nurses in claim management:
- a. How many nurses would be made available to the County?
 - b. What is their job function?
 - c. Does a nurse review every LTD claim?
 - d. Is a nurse involved in managing every LTD claim?
112. Describe the role of physicians in claim management:
- a. How many board-certified physicians will be accessible to the County's disability services program?
 - b. What percent of claims does a physician review?
 - c. Do certain diagnoses automatically trigger a physician review? If so, please list these diagnoses.
113. Describe the role of Vocational Rehabilitation Coordinators in claim management:
- a. How many Vocational Rehabilitation Coordinators will be accessible to the County's disability services program?
 - b. What percent of claims does a physician review?
 - c. Do certain diagnoses automatically trigger a physician review? If so, please list these criteria.
114. In what percentage of LTD cases is an attending physician telephonically contacted by:
- a. Claims personnel?
 - b. A nurse you employ?
 - c. A physician you employ?

115. Under what circumstances do you utilize an Independent Medical Examination? What percent of LTD cases involve an Independent Medical Examination? How do you charge for this under the LTD plan?
116. Describe your approaches to these types of claims:
- a. Repeat disability episodes
 - b. Non-verifiable (self-reported) symptoms
 - c. HIV/AIDS
 - d. Mental Health
 - e. Duration requested exceeds guidelines.
117. How do you ensure quality of claim processing?
118. Briefly describe your internal quality improvement initiatives.
119. Briefly describe your return to work initiatives:
- a. How are activities coordinated with supervisors?
 - b. How are return to work arrangements and work restrictions documented?
 - c. Please provide statistics on return to work performance/effectiveness.
 - d. How are activities coordinated with the County's internal disability service programs?
 - e. Are there incentives for King County employees on disability with active claims to accept Transitional Duty employment?
120. Explain the criteria for paying the return to work incentive benefits. Must the employee return to a similar job or any job? Are there a minimum number of hours to work?
121. Will your organization contribute to the cost for making reasonable accommodations for returning to work? What are the criteria for determining the benefit? Is there a maximum benefit?
122. Will your organization accept reasonable accommodation recommendations from the King County Disability Services staff which is comprised of Certified Rehabilitation Counselors? Yes_____ No_____
123. Describe your rehabilitation services and programs:
- a. Credentials of the rehab counselors
 - b. Location of the rehab unit
 - c. Standard methods of accomplishing rehab (work hardening, retraining, alternative placement)
 - d. Please provide statistics on rehab performance/effectiveness.
124. Describe your Social Security application and appeal assistance procedures:
- a. Who coordinates them and where are they located?
 - b. What is the general procedure?
 - c. If an attorney is involved, who pays? Are costs billed directly to the client or to experience?
 - d. How are these activities coordinated with rehab or return-to-work efforts?
 - e. Demonstrate results statistically.
125. What percent of Social Security awards are obtained by your filing/advocacy program within two years of the initial application?
126. Describe your third party liability and subrogation procedures.
127. Describe your fraud detection and recovery procedures.

128. Describe your procedures to protect claimant confidentiality. Outline the information that:
- Can be released to the County (and the conditions for providing it).
 - Cannot be released and the reason (statutory, corporate policy).
129. Can your claim form be modified to include an Employee release to allow King County Disability Services to discuss denied claims? If yes, please provide three examples of a denied claim including the explanation provided for the denied claim.
130. Briefly describe your capabilities in providing an Integrated Disability Management program (disability plans, FMLA and Workers' Compensation).
131. Describe the features of a current Integrated Disability Management program that your company administers.
132. What are your standard duration guidelines for pregnancy-related disabilities?
133. A sample of reports provided by the current vendor is provided in Appendix G.
- Are you able to provide the same reports? Yes_____ No_____
 - Are you able to provide the employee's department on the report? If possible, the employee should be listed by his/her department. Yes_____ No_____
 - Provide a sample of available additional reports.
134. Confirm that King County staff will be notified of denied claims. Yes_____ No_____
135. The County has an Integrated Disability Management program. Indicate if your organization can provide the following services:
- Medical case management
 - MD case review and consultation services
 - Nurse consultation and follow-up
 - Vendor and County case staffing meetings
 - Federal FMLA and ADA case analysis
 - Statistics to document cost of employee disability
 - Coordination of reasonable accommodations
 - Coordination of return-to-work programs.
136. Include a copy of the form(s) you send to employers to obtain information about the functional and physical job requirements of a claimant as an attachment. At what point do you request this information? From which claimants?
137. King County would like the vendor to use King County's job analyses instead of the Dictionary of Occupational Titles when determining if an individual is disabled from their own occupation. The following is the link to King County's Job Analysis site <http://www.metrokc.gov/ohrm/kcjabank/>. Please confirm you will use their job analyses. Yes_____ No_____
138. King County would like the vendor to use their Physical Capacities Evaluation form, Cognitive & Behavioral Capacities Evaluation form, and their Exposure-Sensitivity Evaluation form. The following is the link to King County's forms; <http://www.metrokc.gov/ohrm/kcjabank/>. Please confirm you will use their forms. Yes_____ No_____

Physical Capacities Evaluation Form (Word Document)

<http://www.metrokc.gov/ohrm/kcjabank/Documents/General/PCE061704.doc>

Cognitive and Behavioral Capacities Form (Word Document)

<http://www.metrokc.gov/ohrm/kcjabank/Documents/General/CBCEFAXVERSION1010031.doc>

Exposure-Sensitivity Evaluation Form (Word Document)

<http://www.metrokc.gov/ohrm/kcjabank/Documents/General/Exposure%20sensitivity%20form%200106.doc>

On-line Technology

The County is interested in understanding how your organization uses on-line technology in the administration and management of long term disability claims. Where applicable, please indicate whether any additional fees apply to your on-line services.

Claim Administration

139. Do you have any Internet capabilities for the administration of claims? Yes_____ No_____ If yes, do you have a Web site that contains a demo that we could review? Yes_____ No_____ If yes, please provide the URL and any account codes or passwords necessary to access the demo.
140. Do you offer Web-based administration functions (i.e. notification of claims received, notification of missing information or claim status, claim inquiry, standard and ad hoc reporting, etc.)? Yes_____ No_____
141. What elements of claim administration are available via the Intranet?
- a. focused on the employee
 - b. focused on the supervisor
 - c. focused on Human Resources or other internal client department
142. What elements of claim administration are available? (Please be specific, and append sample screen-prints.)
143. Do you offer any Web-based functions focused on the claimant's **health care providers, rehab professionals, or others** (i.e. to provide on-line clinical information)?
144. What type of management reports are available on-line (i.e. reports summarizing trends over time, by work groups or clinical categories, etc.)? Please provide sample screen prints of at least four types of reports available. What reporting software does your site use? How current are the data at any point in time? Are open and closed cases identified separately for more accurate reporting?
145. Do you have an Intranet interface for claim intake (i.e. for a claimant to initiate a claim)? Yes_____ No_____
146. Is this interaction sufficient to initiate the claim, or must the employee also make a call or submit paper forms in addition to the web interaction?
147. Can claims be initiated by the employee only, or may an employer-representative or other family member initiate a claim?
148. What information is necessary for the claimant to use Web-based intake? Please specify whether there are passwords required, and if so, how initial passwords are established, and how they are distributed to employees.
149. Do you have an Intranet interface that allows a claimant, supervisor or HR department to download forms? Yes_____ No_____
150. What forms can be downloaded?
151. In what format are these forms (i.e. PDF, Word document, etc.)?
152. Can forms be customized with client logos and client-specific language? Yes_____ No_____ If yes, please outline the process for making these customizations and associated costs.
153. Do you offer electronic signature functions? Which forms (if any) require a "wet" signature?

Customer Service

154. If you offer Web-based functions, what 'live human being' back-ups exist for answering questions, resolving difficulties and/or guiding the user through technical difficulties?
155. Is there a 'Help' function available on-line? Yes____ No____ Please provide a screen print of a typical Help screen, if applicable.
156. Is there a 'Search' function available for the Site? Yes____ No____
157. Can e-mails be sent through the Site? Do these e-mails go to specific, named individuals assigned to the specific case, or to a generic mailbox? What is your service standard for responding to e-mail inquiries?
158. Does your system generate e-mails? To whom and under what circumstances (i.e. to request missing information, etc.)?

Technical Concerns

159. Are there system compatibility issues that the client must address (i.e. regarding browsers, sound systems, streaming video, etc.)? Are there minimum system requirements for a user to **productively** engage the Site (i.e. without unreasonable download or refresh delays). Are there limits to the number of users that may be on-line at the same time from the same client?
160. How is security maintained? Do you use encryption of key personal identifiers (SSN, birth date, etc.)? If yes, what type of encryption is used?
161. Are data contained in your claim system populating the Web-site on a 'real time' basis, or are batch uploads conducted? If you are taking a 'batch' approach, on what intervals are uploads made?

Plan Provisions

162. Included in the Appendices is a summary of the basic and enhanced LTD insurance benefits. The summary includes a column titled deviations. Identify and list in this column each provision of your proposal that differs from the provisions described in the summaries. Give full details of the differences. If you fail to disclose the differences, you will be required to deliver the provisions specified in the summaries.

Note: You may be requested at later point in the proposal process to review the entire booklet and/or contract to identify any deviations from the current.

163. In addition to providing benefits for LTD, please summarize the additional, no cost services associated with your product.

Premium Rating and Funding Arrangement

164. What are your LTD manual rates for this case?
165. What level of credibility has been assigned to the LTD manual rates? Please detail your calculation of the proposed rates.
166. How many life years (and over what experience period) are required for full LTD experience credibility?
167. What credibility formula do you use for LTD experience rating?
168. How do you weight each year's experience in developing the loss ratio?
169. What interest rate will you credit on the reserves you hold? State the interest rate basis and your current credited rate.
- a. IBNR _____
- b. Approved claim_____

- c. Pending claim_____
- d. Other (explain) _____

170. Pro forma experience accounting must be done on a combined basis for all LTD coverage, even though the case will be prospectively rated. Please illustrate your experience accounting on the following worksheet.

Pro Forma Experience Illustration Worksheet

	2007	2008	2009
LTD premium			
Assumed paid claims			
Assumed approved claim reserve			
Incurred claims			
Gross retention			
Interest credits			
Other charges (specify)			
Net underwriting gain or loss			

Financial Proposal

Please use the following statistics in your financial bid.

Statistics

Enrollment data is as of February 2006.

Basic and Enhanced Employee LTD

Coverage	No. of EEs	Covered Monthly Payroll (in \$1000s)
Basic (180 Day Wait)	12,337	\$58,433
Enhanced (90 Day Wait)	7,167	34,758
Self Pay Basic (180 Day Wait)	21	76
Total Employees	12,345	

171. Please complete the following rate tables for your basic and enhanced long-term disability fully insured quotations. The premium rates must be a composite rate for regular full-time and part-time Local 587 employees.

Coverage	Covered Monthly Payroll	Total Premium Rate	Monthly Premium	Annual Premium
Basic	\$58,509,050 ¹	____% of covered payroll	\$_____	\$_____
Enhanced	\$34,758,270	____% of covered payroll ²	\$_____	\$_____

¹This includes all covered payroll, including amounts for those buying up to the enhanced plan.

²This rate does not include the cost of the basic plan; it is only the additional cost to buy up to the enhanced plan.

172. Describe the rate impact of any other plan provisions you propose.

173. Are there any associated contingencies with the above premium rates? Yes ____ No ____ If yes, please specify.

174. Please indicate the cost for any services not included in the above premium rate.
175. Are you agreeable to include performance guarantees? Yes____ No____ If yes, describe the nature of your agreements. Please include performance guarantee measurements and fees at risk. Please include implementation performance guarantees.

Appendix A – Basic and Enhanced Life Insurance Plan Design Summary

The current 1/1/06 plan design is summarized in the table below. Please see Appendix A1– Regular Employees Life Benefit Booklet.pdf; Appendix A2 – Summary of Material Modifications.pdf and Appendix A3 – Deputy Sheriffs Life Benefit Booklet.pdf for descriptions of the current life designs.

Summary of 2006 King County Basic Life Insurance Plans

Basic Life

The requested design for the revised County life insurance plan for is shown in the middle column of the following table. Please note any deviations in the space provided and return a copy of this document with your completed proposal.

Plan	Requested Design	Deviations
Eligibility	All regular full-time employees, Part-time Local 587 employees under Full Benefits Plan and Partial Benefits Plan (see plan chart below) and Deputy Sheriffs meeting the minimum requirements (listed below).	
Basic Life No Loss No Gain	Regular Employees: 1 times annual salary, rounded to next highest \$1,000 with a maximum of \$200,000 Part-time employees: \$25,000 Deputy Sheriffs: \$6,000	
Guarantee Issue	Full amount	
Accelerated Benefit	50% lump sum (maximum of \$100,000)	
Benefit Reductions	None	
Conversion	Following loss of regular eligibility, would allow plan participants to elect individual conversion coverage within 31 days.	
Facility of Payment	Equal to benefit at time of death.	
Portability	Following loss of regular eligibility, plan participants may continue the group plan at age-specific group rates at their own cost.	
Waiver of Premium	If totally disabled before age 60, coverage will continue without payment of premium after being disabled for 9 consecutive months and subject to proof of continuing disability. Coverage ends earlier of reaching age 65 or no longer disabled.	

Plan	Requested Design	Deviations
Death Benefit Only -Waive Actively at Work <u>and</u> No Loss/No Gain	<p>If totally disabled after reaching age 60, County pays to continue life insurance for up to 12 months or age 65, whichever occurs first. If employee applies for disability determination between 8 and 9 months of disability, and insurer determines disability is total and permanent, County pays to continue coverage until earlier of reaching age 65 or no longer disabled.</p>	

Part-Time 587 Employees Eligibility –

	Partial Benefits Plan*	Full Benefits Plan
Eligibility Requirements	<p>Trainee completes training and qualifies as part-time transit operator.</p> <p>Operator must elect medical to receive county-paid basic life insurance and to purchase enhanced life insurance. If enhanced life is not elected at this time, operator must wait until a qualifying event or until he/she becomes a full-time transit operator.</p>	<p>Operator picks 4 or more hours in the fall 2006 shakeup or in any spring, summer or fall shakeup of 2007, 2008 or 2009 (fully paid benefits begin the first day of the month after working the 4 or more hour assignment and extend through December 31, 2009)</p> <p>Operator receives 1,019 or more paid hours in the 26 pay periods ending with the pay period that includes July 31, 2006 or July 31, 2007 or July 31, 2008 (fully paid benefits begin the following January 1 and extend through December 31, 2009).</p> <p>All operators with 10 or more years of part-time seniority on Dec. 31, 2006, and who are also eligible for full benefits on Dec. 31, 2006, remain eligible for full benefits through Dec. 31, 2009.</p>
Effective Date	The first of the month following the qualification or hire date (whichever is later). Hire date is determined by Transit Division. If qualification or hire date is the first of the month, eligibility begins that same day.	Beginning the first day of the month after operator begins working the four or more hour assignment.
Eligibility Period	Until operator becomes eligible for the Full Benefits Plan or becomes a full-time transit operator.	As long as operator meets eligibility requirements through the 2007-2009 benefits cycle.

* If Partial Benefits Plan employee elects medical, the basic life insurance is non contributory.

Deputy Sheriffs Eligibility

- All represented, commissioned employees in a regular, active, year-round position and scheduled to work a King County approved half-time schedule or more.

Coverage begins the first of the month coinciding with or next following the employee's hire date.

Enhanced Life

The requested design for the County's Enhanced Life insurance plan is shown in the middle column of the following table. Your proposal must assume a full open enrollment where all employees may elect new levels of coverage without evidence of insurability. Please note any deviations in the space provided and return a copy of this document with your completed proposal.

Plan	Requested Design	Deviations
Eligibility	Same as Basic Life.	
Enhanced Life Death Benefit Regular employees	Employee: 1x, 2x, 3x, 4x salary rounded to next highest \$1,000, with a maximum of \$400,000 (\$600,000 combined with Basic plan) Spouse: 50% of employee benefit with a maximum of \$200,000 Child: \$500 for ages 14 days to 6 months; \$10,000 for ages 6 months to 23 years	
Part-time employees	Employee: \$25,000, \$50,000, \$75,000 or \$100,000 (\$125,000 combined with Basic Plan) Spouse: 50% of employee benefit with a maximum of \$50,000 Child: \$500 for ages 14 days to 6 months; \$10,000 for ages 6 months to 23 years	
Deputy Sheriffs	Employee: One times base annual salary less \$6,000 Spouse: \$1,000 Child: 14 days or older \$1,000	
Guarantee Issue ▪ Employee ▪ Spouse ▪ Child	Full amount \$100,000 Full amount	
Accelerated Benefit	50% (maximum of \$300,000 combined with Basic Plan)	
Benefit Reductions	None	
Portability	Following loss of regular eligibility, plan participants may continue the group plan at age-specific group rates at their own cost.	
Conversion	Following loss of regular eligibility, would allow plan participants to elect individual conversion coverage within 31 days.	

Plan	Requested Design	Deviations
Waiver of Premium	<p>If employee is totally disabled before age 60, coverage will continue without payment of premium after being disabled for 9 consecutive months and subject to proof of continuing disability. Coverage ends earlier of reaching age 65 or no longer disabled.</p>	
Death Benefit Only Waive Actively at Work and No Loss/No Gain	<p>If employee is totally disabled after reaching age 60, employee can continue to pay for the coverage amount in effect on the last day worked for up to 12 months or age 65, whichever occurs first.</p>	

Appendix B – AD&D Insurance Plan Design Summary

The current 1/1/06 plan design is summarized in the table below. Please see Appendix B1 – ADD Contract.pdf for descriptions of the current AD&D plan.

Summary of 2006 King County AD&D Plans

Basic AD&D

The requested design for the County's Basic AD&D insurance plan is shown in the middle column of the following table. Please note any deviations in the space provided and return a copy of this document with your completed proposal.

Plan	Requested Design		Deviations
Eligibility	All regular full-time employees, Part-time Local 587 employees under Partial Benefits and Full Benefits Plans (see plan chart below) and Deputy Sheriffs meeting the minimum requirements (outlined below).		
Basic AD&D	Regular employees: 1 times annual salary, rounded to next higher \$1,000 to a maximum of \$200,000 Part-time (Full and Partial Benefits Plans): \$25,000 Deputy Sheriffs: \$6,000		
Benefit Reductions	Age 70 Age 75 Age 80 Age 85	30% 55% 70% 85%	
Coma Benefit	1% of benefit amount (up to 11 monthly payments)		
Covered Loss			
Life	100%		
Both hands, both feet or entire sight of both eyes (or any combination)	100%		
Speech and hearing in both ears	100%		
Quadriplegia	100%		
Paraplegia	75%		
Hemiplegia	50%		
One hand, one foot or entire sight of one eye	50%		
Speech or hearing in both ears	50%		
Thumb and index finger of same hand	25%		
Felonious Assault Benefit	25% up to \$100,000		
Rehabilitation Benefit	\$10,000		

Plan	Requested Design	Deviations
Seatbelt and Airbag Benefit Regular Employees & ATU Deputy Sheriffs	Seatbelt – 10% up to \$25,000 Airbag – 5% up to \$12,500 Seatbelt – 10% with \$1,000 minimum and \$6,000 maximum Airbag – 5% with \$6,000 maximum	
Escalator Benefit	Benefit increases 1% on policy anniversary date for each 12 months covered up to 10% maximum	
Conversion	31 day conversion period	

Part-Time 587 Employees Eligibility –

	Partial Benefits Plan*	Full Benefits Plan
Eligibility Requirements	<p>Trainee completes training and qualifies as part-time transit operator.</p> <p>Operator must elect medical to receive county-paid basic AD&D insurance and to purchase enhanced AD&D insurance. If enhanced AD&D is not elected at this time, operator must wait until the next open enrollment or until he/she becomes a full-time transit operator.</p>	<p>Operator picks 4 or more hours in the fall 2006 shakeup or in any spring, summer or fall shakeup of 2007, 2008 or 2009 (fully paid benefits begin the first day of the month after working the 4 or more hour assignment and extend through December 31, 2009)</p> <p>Operator receives 1,019 or more paid hours in the 26 pay periods ending with the pay period that includes July 31, 2006 or July 31, 2007 or July 31, 2008 (fully paid benefits begin the following January 1 and extend through December 31, 2009).</p> <p>All operators with 10 or more years of part-time seniority on Dec. 31, 2006, and who are also eligible for full benefits on Dec. 31, 2006, remain eligible for full benefits through Dec. 31, 2009.</p>
Effective Date	The first of the month following the qualification or hire date (whichever is later). Hire date is determined by Transit Division. If qualification or hire date is the first of the month, eligibility begins that same day.	Beginning the first day of the month after operator begins working the four or more hour assignment.

	Partial Benefits Plan*	Full Benefits Plan
Eligibility Period	Until operator becomes eligible for the Full Benefits Plan or becomes a full-time transit operator.	As long as operator meets eligibility requirements through the 2007-2009 benefits cycle.

** If Partial Benefits Plan employees elects medical, the basic AD&D insurance is non-contributory.*

Deputy Sheriffs Eligibility

All represented, commissioned employees in a regular, active, year-round position and scheduled to work a King County approved half-time schedule or more.

Coverage begins the first of the month coinciding with or next following the employee's hire date.

Enhanced AD&D

The requested design of the County's Enhanced AD&D plan is shown in the middle column of the following table. Please note any deviations in the space provided and return a copy of this document with your completed proposal.

Plan	Requested Design		Deviations
Eligibility	All regular full-time employees; Part-time Local 587 employees under Full and Partial Benefits Plans (see plan chart below); Deputy Sheriffs are <i>not</i> eligible.		
Enhanced AD&D			
▪ Employee	\$50,000 up to \$500,000 (in increments of \$50,000)		
▪ Spouse	50% or 100% of employee benefit (not to exceed \$500,000)		
▪ Children	10%, maximum \$50,000		
Benefit Reductions	Age 70	30%	
	Age 75	55%	
	Age 80	70%	
	Age 85	85%	
College Education Benefit	Enrolled at least 1 year from accident, 5% of insurance amount or \$5,000 once a year up to a maximum of 4 years.		
Coma Benefit	1% of benefit amount (up to 11 monthly payments)		
Covered Loss			
Life	100%		
Both hands, both feet or entire sight of both eyes (or any combination)	100%		
Speech and hearing in both ears	100%		
Quadriplegia	100%		
Paraplegia	75%		
Hemiplegia	50%		
One hand, one foot or entire sight of one eye	50%		
Speech or hearing in both ears	50%		
Thumb and index finger of same hand	25%		
▪ Child Care Benefit	3% of benefit amount or \$3,000 (until first grade or for 5 straight years, whichever occurs first)		
Rehabilitation Benefit	\$10,000		

Plan	Requested Design	Deviations
Seatbelt and Airbag Benefit	Seatbelt: 10% of benefit, maximum \$25,000 Airbag: 5% of benefit, maximum \$12,500	
Increased Child Dismemberment Benefit	200% of benefit up to \$50,000	
Violent Crime Benefit	25% of benefit amount, up to \$100,000; plan pays for hospital confinement \$100/day up to 10 days (must be hospitalized within 1 year of crime)	
Escalator Benefit	Benefit increases 1% on policy anniversary for each 12 months covered up to 10% maximum	
Conversion Privilege	31-day conversion period	

Part-Time 587 Employees Eligibility –

	Partial Benefits Plan*	Full Benefits Plan
<p>▪ Eligibility Requirements</p>	<p>Trainee completes training and qualifies as part-time transit operator.</p> <p>Operator must elect medical to receive county-paid basic AD&D insurance and to purchase enhanced AD&D insurance. If enhanced AD&D is not elected at this time, operator must wait until the next open enrollment or until he/she becomes a full-time transit operator.</p>	<p>Operator picks 4 or more hours in the fall 2006 shakeup or in any spring, summer or fall shakeup of 2007, 2008 or 2009 (fully paid benefits begin the first day of the month after working the 4 or more hour assignment and extend through December 31, 2009)</p> <p>Operator receives 1,019 or more paid hours in the 26 pay periods ending with the pay period that includes July 31, 2006 or July 31, 2007 or July 31, 2008 (fully paid benefits begin the following January 1 and extend through December 31, 2009).</p> <p>All operators with 10 or more years of part-time seniority on Dec. 31, 2006, and who are also eligible for full benefits on Dec. 31, 2006, remain eligible for full benefits through Dec. 31, 2009.</p>
Effective Date	<p>The first of the month following the qualification or hire date (whichever is later). Hire date is determined by Transit Division. If qualification or hire date is the first of the month, eligibility begins that same day.</p>	<p>Beginning the first day of the month after operator begins working the four or more hour assignment.</p>
Eligibility Period	<p>Until operator becomes eligible for the Full Benefits Plan or becomes a full-time transit operator.</p>	<p>As long as operator meets eligibility requirements through the 2007-2009 benefits cycle.</p>

** If Partial Benefits Plan employee elects medical, the basic AD&D insurance is noncontributory.*

Exclusions and Limitations

The current AD&D plans contain the following exclusions and limitations.

Exclusions and Limitations	Deviations
<ul style="list-style-type: none">▪ Intentionally self-inflicted injuries or any attempt thereat, while sane or insane.▪ Declared or undeclared war or act of war.▪ Accident occurring while the Insured is serving in full-time active duty, service in the military, navy or air force of any country or military organization. (Send us proof of service. We will refund any premium paid for this time. Accidents that occur while engaged in Reserve or National Guard training is not excluded.)▪ Travel or flight (including getting in or out, on or off) in any aircraft or device which can fly above the earth's surface, if: The aircraft or device is being used:<ul style="list-style-type: none">◦ For test or experimental purposes; or◦ By or for any military authority (aircraft flown by the US Military Airlift Command (MAC) or similar service of another country are not excluded); or◦ For travel, or is designed for travel, beyond the earth's atmosphere; or The covered person is:<ul style="list-style-type: none">◦ Serving as pilot or crew member (or student taking flying lesson) and is not riding as a passenger except for those serving as a pilot in County-owned aircraft; or◦ Hang-gliding; or◦ Parachuting, except where the covered person has to make a parachute jump for self-preservation.▪ Commission of a felony by the covered person.▪ Sickness, disease, bodily or mental infirmity, or medical or surgical treatment thereof or bacterial or viral infection, regardless of how contracted. This does not include bacterial infection that is the natural and foreseeable result of an accidental external cut or wound, or accidental food poisoning.	

Appendix C - LTD Insurance Plan Design Summary

The current 1/1/06 plan design is summarized in the table below. (Appendix C1 – LTD Contract.pdf; Appendix C2 – LTD Benefit Booklet.pdf and Appendix C3 – LTD Summary of Material Modifications.pdf).

Summary of 2006 King County LTD Plan

Plan	Requested Design		Deviations
Eligibility	All regular full-time employees; Part-time Local 587 employees under Partial and Full Benefits Plans (see plan chart below); Deputy Sheriff's are <i>not</i> covered.		
Waiting Period	<ul style="list-style-type: none"> Basic – 180 days Enhanced – 90 days 		
Benefit Percentage	60%		
Monthly Benefit Maximum	<ul style="list-style-type: none"> Basic – \$6,000 Enhanced – \$7,200 		
Minimum Benefit	<ul style="list-style-type: none"> The greater of \$100 or 10% of benefit prior to reductions by deductible income 		
Temporary Recovery	Successive disabilities must be separated by a return-to-work of less than 6 months.		
Maximum Duration	<u>If disability begins at age:</u> 61 or younger 62 63 64 65 66 67 68 69 and older	<u>Maximum benefit period is:</u> To age 65 (or for 42 months, if longer) 42 months 36 months 30 months 24 months 21 months 18 months 15 months 12 months	
Social Security Integration	Full family offset.		
Pre-existing Condition Limitation	3/12 for new employees only.		
Definition of Disability	Meet one of the following definitions during the period: <ul style="list-style-type: none"> Own occupation Any occupation Partial disability (80% of indexed covered earnings during own and any occupation periods). 		
Own Occupation Period	24 months		
Any Occupation Period	From the end of the Own Occupation Period to the end of the Maximum Benefit Period.		

Plan	Requested Design	Deviations
Definition of Earnings	Amount of pay prior to any premium pay, bonuses, overtime pay or other extra compensation and taxes.	
Definition of Pre-Disability Earnings	Earnings in effect on the last full day of active work.	
Indexing	10% or if less, the annual percentage increase in CPI-W.	
Survivor Benefit	A lump sum equal to 3 times the LTD benefit without reduction by deductible income.	
Mental Disorder or Drug/ Alcohol Abuse Limitation	24 months for each period of continuous disability.	
Physician Care	Must be under ongoing care during the benefit waiting period.	
Return-to-work Incentive	<p><i>During the first 12 months:</i> If employee works while disabled, receives benefit plus work earnings, up to 100% of pre-disability earnings.</p> <p><i>After the first 12 months:</i> If employee works while disabled, receive benefits plus ½ of work earnings up to 80% of indexed covered earnings.</p>	
Rehabilitation Benefit	Included	
Spouse Rehabilitation Benefit	Included	
Portability	No	
Conversion	Yes; eligible after 12 consecutive months of County coverage; benefits may differ from County benefits; employee must apply in writing and pay first premium within 62 days.	
Exclusions	<ul style="list-style-type: none"> ▪ War or any act of war (declared or undeclared) ▪ Suicide, attempted suicide or intentional self-inflicted injury ▪ Terrorism or active participation in a riot ▪ Committing or attempting to commit a felony ▪ Failure to cooperate with the insurance company in the administration of a claim ▪ Any other pre-existing conditions ▪ Not receiving appropriate care ▪ Refusal to participate in rehabilitation efforts or in a transitional or other modified work arrangement. 	

Part-Time 587 Employees Eligibility-

	Partial Benefits Plan*	Full Benefits Plan
Eligibility Requirements	<p>Trainee completes training and qualifies as part-time transit operator.</p> <p>Operator must elect medical to receive county-paid basic LTD insurance and to purchase enhanced LTD insurance. If enhanced LTD is not elected at this time, operator must wait until he/she becomes a full-time transit operator.</p>	<p>Operator picks 4 or more hours in the fall 2006 shakeup or in any spring, summer or fall shakeup of 2007, 2008 or 2009 (fully paid benefits begin the first day of the month after working the 4 or more hour assignment and extend through December 31, 2009)</p> <p>Operator receives 1,019 or more paid hours in the 26 pay periods ending with the pay period that includes July 31, 2006 or July 31, 2007 or July 31, 2008 (fully paid benefits begin the following January 1 and extend through December 31, 2009).</p> <p>All operators with 10 or more years of part-time seniority on Dec. 31, 2006, and who are also eligible for full benefits on Dec. 31, 2006, remain eligible for full benefits through Dec. 31, 2009.</p>
Effective Date	The first of the month following the qualification or hire date (whichever is later). Hire date is determined by Transit Division. If qualification or hire date is the first of the month, eligibility begins that same day.	Beginning the first day of the month after operator begins working the four or more hour assignment.
Eligibility Period	Until operator becomes eligible for the Full Benefits Plan or becomes a full-time transit operator.	As long as operator meets eligibility requirements through the 2007-2009 benefits cycle.

** If Partial Benefits Plan employee elects medical, the basic long term disability insurance is non contributory.*

6.6 Appendices for RFP 06-017 OB

Appendices referred to in this RFP can be downloaded from the following URL addresses:

Appendix A-1 – Regular Employees Life Benefit Booklet

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixA1.pdf (1.9MB PDF)

Appendix A-2 – Summary of Material Modifications

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixA2.pdf (414KB PDF)

Appendix A-3 – Deputy Sheriffs Life Benefit Booklet

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixA3.pdf (1.5MB PDF)

Appendix B-1 – AD&D Insurance Plan Design Summary

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixB1.pdf (1.2MB PDF)

Appendix C-1 – LTD Contract

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixC1.pdf (1.2MB PDF)

Appendix C-2 – LTD Benefit Booklet

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixC2.pdf (1.9MB PDF)

Appendix C-3 – LTD Summary of Material Modifications

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixC3.pdf (414KB PDF)

Appendix D – Census.xls

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixD.xls (6.1MB EXCEL)

Appendix E-1 – Life Insurance Information

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixE1.xls (20KB EXCEL)

Appendix E-2 – Life Claims

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixE2.xls (48KB EXCEL)

Appendix F-1 – AD&D Insurance Information

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixF1.xls (18KB EXCEL)

Appendix G-1 – LTD Insurance Information

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixG1.xls (16KB EXCEL)

Appendix G-2 – LTD Claims

http://www.metrokc.gov/extranet/procurement/2006/March/GoodsAndServices//06-017/06-017_appendixG2.xls (66KB EXCEL)